

3089  
Gandhi  
Centenary  
Papers

VOLUME : 2

ECONOMIC PHILOSOPHY OF GANDHI

181  
Edited by.. DR. K.S. Saxena

These essays were conceived as a series of explorations of various aspects of Gandhiji's life and thought, several of which had not been treated to any large extent in the voluminous literature about the leader.

The chief aim of the book is to present a compact and reasonably comprehensive picture of Gandhiji's achievement and some of the means for an evaluation of that achievement. To this end the aspects concerning Gandhiji as man and his thought have been examined. The book containing also a succinct analysis of the relevance of the Gandhian thought in the present times opens up the whole of the Gandhiana for study and exploration.

**Rs. 65/-**

**(Set of four Volumes)**

the Library of

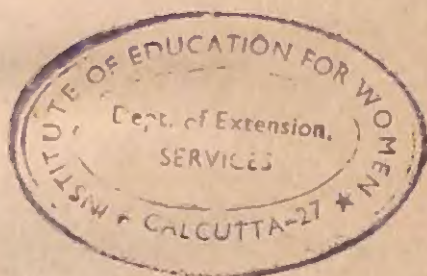




# GANDHI CENTENARY PAPERS



Volume 2 : Economic Philosophy of Gandhiji



GANDHI CENTRE  
P. 2. 1962

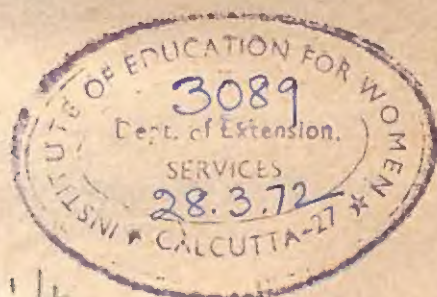


# GANDHI CENTENARY PAPERS

**Dr. K. S. Saxena**

Director

Council of Oriental Research



181'4  
Gan

PUBLICATIONS DIVISION  
COUNCIL OF ORIENTAL RESEARCH



3-  
Edited by  
© Dr. K. S. Saxena, 1971  
ALL RIGHTS RESERVED

Published by  
The Publications Division  
Council of Oriental Research,  
BHOPAL-3,



# P R E F A C E

These essays were conceived as a series of explorations of various aspects of Gandhiji's life and thought, several of which I felt, had not been treated to any large extent in the voluminous literature about the leader and I sought friendly co-operation of the various scholars whose contributions make up the text of this book. In making the selection of topics and assembling them into a pattern, I have been governed by several considerations. I determined to include only those essays which could be fitted in sections already decided. The general layout of this set of four books is as follows :

## **Volume 1 : Gandhi : the Man**

- ( a ) Introduction.
- ( b ) Facets of Gandhiji's personality.

## **Volume 2 : Economic Philosophy of Gandhi**

- ( a ) Introductory.
- ( b ) View of the State.
- ( c ) Major topics.
- ( d ) Reassessment.
- ( e ) Relevance of Gandhian Economic thought to day.

## **Volume 3 : Political Philosophy of Gandhi**

- ( a ) Introductory.
- ( b ) View of the State.
- ( c ) Major topics.
- ( d ) Reassessment.
- ( e ) Relevance of Gandhian Political thought today.

## **Volume 4 : Social and Educational Philosophy of Mahatma Gandhi**

- ( a ) Introductory.
- ( b ) View of the State.
- ( c ) Approach to society.
- ( d ) Major topics.
- ( e ) Reassessment of Gandhi's Social thought.
- ( f ) Relevance of Gandhian Social thought today.
- ( g ) Gandhi's message to the student's community.
- ( h ) Reassessment of Gandhi's Educational thought
- ( i ) Relevance of Gandhian Educational thought.

I decided that the essays, in most cases could usefully explore material that has been ignored, or regarded as unimportant by previous writers, even though by so doing I might be obliged to omit restatements of the obvious comments upon his thought long realized to be of central significance.

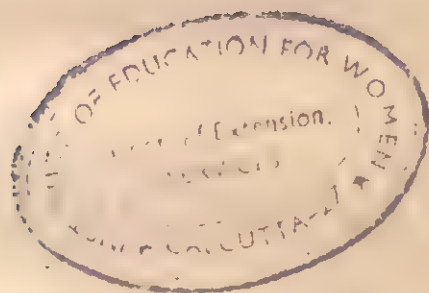
Limitations of space have prevented my making full use of all the help I have been given, or commenting upon more than a small number of those aspects of Gandhi's life and thought which still demanded further attention if a complete perspective upon his life-work is to be gained. Several of these essays are more in the nature of prolegomena than complete studies but I hope that they may lead to further explanations and discoveries. The essays it contains, taking in the personalia and thought of Gandhiji were each editorially invited from educationists who share, perhaps, nothing more than the willingness to respond afresh and directly to the challenge of Gandhiji's thought. The editor assumes responsibility for the structure of the book and for the map of Gandhiji's enduring thought, which it implies, but the individual areas, assigned, were entrusted to good offices of their tenants.

The volume of literature about Gandhiji has reached mountainous proportions. This set of four books adds little to the size of the mountain and does not greatly alter its shape. As said earlier, the chief aim of this set is to present a compact and reasonably comprehensive picture of Gandhiji's achievement. To this end, the aspects concerning Gandhiji as man and his thought have been examined.

The creation of this set of four books has meant a great deal of work for a large number of people. I would like to express my gratitude to all those who helped me.

Finally, I would like to dedicate my part in this work to my son Shri Durga Shanker Saxena, who is lost to the world, but whose quest to borrow more and more from the universe of knowledge and now his ever-haunting memory always keeps me active and creating.

—Dr. K. S. SAXENA.







## CONTENTS

- |   |    |
|---|----|
| 1. The Economic Philosophy of<br>Gandhi : A survey<br><i>S N. Jha</i>                     | 11 |
| 2. Background to Gandhian Economic Thought<br><i>Oudh Kishore Saxena</i>                  | 25 |
| 3. The Economic Structure of Gandhian State<br><i>Usha Kiran Mehra</i>                    | 33 |
| 4. Gandhiji on Decentralisation of Industry<br><i>Kumari P. Leela</i>                     | 43 |
| 5. Gandhi on Family Planning<br><i>S. S. Gupta</i>  | 55 |
| 6. Gandhian Solution to Present Economic<br>Problems of India<br><i>Mrs. Snigdha Bose</i> | 66 |
| 7. Economic Philosophy of Gandhiji :<br>-Its Relevance today<br><i>N. Raghvamma</i>       | 79 |



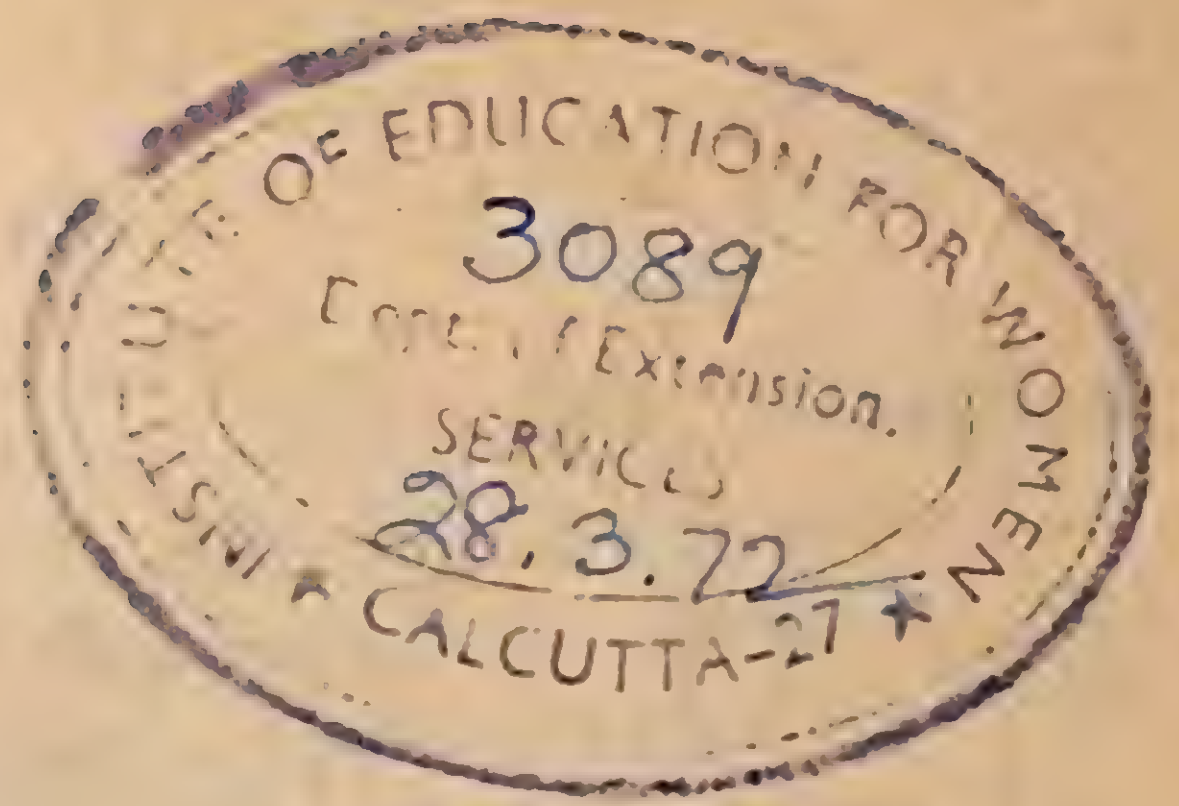


# **1. The Economic Philosophy of Gandhi : A Survey**

**S. N. Jha**







# 1 The Economic Philosophy of Gandhi : A Survey

S. N. Jha

When the British came to India, her economic organization was more or less similar to that prevailing elsewhere in the world. The country was divided into self-sufficient and self contained villages. But this organization of the village communities and their economic life underwent a drastic transformation due to the impact of British rule and consequent Western civilization. It is in these contexts that Gandhi saw the spinning Wheel capable of industrializing Indian village and presented his 'Constructive village Programme' consisting of eighteen items with khadi as nucleus for salvation of the country.

In the modern age, Gandhi came out with a new approach to various problems of society. He showed an approach of synthesis among all the divergent methods and gave ethical and moral blend to present-day Economics. Therefore, Gandhian Economic thought rests on such factors as human elements, non-possession, greatest good to all etc., in which respects it works on diametrically opposite lines to that of ordinary business. The general principles of economics operate within a social structure, and as such may vary according to their social frame work. It is the latter aspect with which Gandhi was concerned. To bring his ideals into being the entire social order has got to be reconstructed into a new society what he called a non-violent society. He wanted to bring about change in patterns of thought and feeling which required change of social environment as the means to achieve



this end. It follows, therefore, that one is not mistaken in recognizing Gandhi's ideals as Gandhian Economics. It appears more appropriate to call it Gandhian Economic Thought or Gandhian Economic School to escape controversy. Capitalistic movement in its wake overshadowed ethical value in man blending him into what is called 'Economic man'. Under the circumstances humanity was divided into the 'Man', the common real man and the supposed 'Economic man', the man entering into the field of production, consumption and exchange of wealth, leaving aside the other and more important aspect, equitable distribution of wealth. No sooner the distinction between the 'man' and the 'Economic man' is broken down to make the two an amalgam believing in the 'wholeness' of life, permitting ethics to have its full sway, a balanced growth of the society will be visible. The way to bring about harmony lies in the subordination of Economics to Ethics.

Simple living and high thinking is a well known maxim. In ancient India varnashrama Dharma was a norm for leading a full, harmonious corporate life. The entire community was divided into four functional groups known as Varnas. For each of the four groups of people, four stages in their lives known as Ashramas were prescribed. Accordingly there were four ends of life, Kama, Artha, Dharma and Moksha. This arrangement eliminated many of problems that emerge today, namely, over population, unemployment, shortage of food, illiteracy, conflicts between one class and the other and diseases etc. There were other rules of conduct known as Yamas and Niyamas. In following these, one had to exercise control over palate and minimize material wants to minimum requirements. There is no contentment in life today. The functions assigned to a specific period of each one's life-time for economic activities have now been separated and made independent and studied under the head known as Economics. Economics in those days was one aspect of a whole life and was not studied under water-tight compartment. Gandhi sincerely adhered to eastern civilization which is founded on renunciation and contentment. To achieve the end Gandhi stood for revival of the Varna-

shrama Dharma in its spirit not in form. Gandhi denounced emphatically the prevailing caste system eating away the very sap of human solidarity. Gandhi imbibed the spirit of the old but did not adhere to its old form and stood for a modification consistent with the dynamic nature of society. He stressed on improvement of standard of life rather than standard of living.

Gandhi was not keen to call the economic and social order of his conception socialism or any of its variants. On the contrary he liked to call it Ramraj. As regards the question of private property, Gandhi visualized ownership of property on the basis of trusteeship. He preferred private property to State ownership because the state represents violence in a concentrated and organized form. However if the state ownership is unavoidable he desired it to the minimum, for instance in the case of key and heavy industries that may not be managed by individuals. He too believed in a classless and stateless society. Gandhi did not subscribe to the materialistic interpretation of history and was opposed to class war. He believed that economic and social ills should be solved through non-violence and to this end he believed in purity of means and ends. He contended that socialism is not new discovery, it is mentioned in *Ishopanishad* and that it assumed a new name of scientific socialism when the people lost faith in the method of conversion. As far as the essence of true socialism is concerned which is not inconsistent with ethics or morality he subscribed to it and thus we may designate his socialistic theme to be essentially an ethical or moral one. On this basis he considered himself to be the first and foremost socialist in India.

Since Gandhi conceived of a new non-violent society having new values of life, it poses the question of the method to give birth to such a society. Gandhi, therefore, perceived a new system of education known as main education through which the new social and economic revolutionary changes may be effected. If a child is kept in an environment pregnated with all the required disciplines and virtues making a favourable climate of maturing

youngsters having imbibed the required virtues befitting them for the non-violent society, the new order can very easily be established with all its implications. At the back of the entire plan is the economic aspect of the new system of education. If we depend on money to run primary education, it is impossible and therefore Gandhi emphasized on self-supporting. Thus through education of his conception Gandhi wanted to create a new and juster social order.

To unify the interests of the capital and the labour Gandhi presented the Law of Bread Labour. If everyone observed the obligation of bread labour, all distinctions of rank would be abolished and a conflict between the capital and labour, the poor and the rich would be stilled. At the root of economic discontent are dire poverty, gross inequality in wealth and income, absence of security and the want of opportunity. Unless a social system and an economic order can cure these ills and satisfy the elementary needs of men it can not long survive. The capitalistic system has failed to solve the problem. Gandhi, therefore, believed that through encouragement of small scale industries can we cope with the growing menace of unemployment. Mr. Richard B. Gregg analyses that the source of all physical power used in production of wealth is one and the same, i. e. the sun, and on that basis the great numbers of unemployed Indians, are in effect, engines kept running by fuel (food) but not attached to any devices for producing goods and Gandhi's proposition was to hitch them to handicrafts to save a vast existing waste of energy. Gandhi regarded capital to be subservient of labour and not vice-versa, but this does not mean that Gandhi belittled the importance of capital. What he opposes was the wrong use of the capital. Though disavowing capitalism he did not want to exterminate the capitalists by means of violence, for he differentiated man from his deed. He wanted to bring about a change through a gradual process by non-violent means beginning with the oftquoted institution of 'trusteeship'. His idea of capital and labour was that both should supplement and help each other.

In the Gandhian Economic Thought, a simple economy was to follow from a love of simple living. At present the process has been reversed. True, man should work for his economic well-being, but any view which reduces him to a mere economic function, which regards him merely as a meeting-point of certain economic wants, or merely as a unit of production, is opposed to Gandhian Thoughts. Consistently with this spirit Gandhi advocated a return to a system of rural communities composed of small, manageable units, co-operatively knit together.

Malthus pointed out a theory about the growth of population. According to this theory, population increases in geometrical progression but food supply increases in arithmetical progression. To balance the gap between the growth of population and the food shortage he advocated what he called 'preventive checks'. In Gandhian view, adherence to two points, i. e. the Fundamental Law of Nature and a proper land system could enable us to maintain with our own resources all our population even with the present rate of increase, provided we were prepared to forego for the time being some of the trimmings of "progress" and to put first thing first. He realized the necessity of birth control through self-control, i. e. Brahmacharya.

Gandhi believed that the system of price control and rationing was unnatural and unbusiness like. They had plenty of fertile land, there was enough water and no dearth of manpower. Why should there be food shortage at all? The public should be educated to become self-reliant.

There are differences between Gandhian ideals and the present day economic principles. Gandhi differed mainly on three points:-

(1) While agreeing that man's character has been moulded by his every day work and the material resources he thereby procures, he believed in the efficacy of thought power more to mould his character, than any other influence. (2) Disagreeing with the idea of the assumed 'economic man', he firmly held that man is



not always moved by economic considerations. (3) He did not segregate Economics from Ethics. Mainly because of his differences on these points and partly his outwardly appearance Gandhi is viewed as an extra ordinary man and his activities as super human and thus beyond the scope of Economics. On a closer scrutiny, however, it would be found that his activities constitute that of an average social man coming within the purview of the Economic Science.

Gandhian Economic Thought rejects not only the two known systems of capitalism and communism, to which all agree, but it also does not accept the 'mixed economic system' for which we now use the term "socialistic pattern". And, it cuts a new line best suited to India's conditions. In doing so the approach is not merely economic, but also social and human, because the real pattern of society we wish to have in India is unique in a way. We aspire for a free and democratic Sarvodaya society.

Since Gandhi approved of only those principles and practices which may stand the trial of truth and non-violence, he seems to be concerned with the normative approach to economic problems in its true perspective of the term 'normative'. Self-sufficiency in essential commodities will be the aim. He did not mind if key industries were centralized but on the express condition that they were used only for the benefit of the people and no industry capable of being worked in villages would be displaced from the villages.

Farming is considered in two ways : as an occupation and as a living. Conscientious of opinion, however, is that there is a close intermingling of the two lines of activities each exercising a great influence on the other. Gandhi regarded agriculture as the foundation of village industries. If farming is classified according to the business enterprize Gandhi stood for self-sufficing farms. If classified according to value of production, or income, he stood for what is called mixed farming. Classified according to land tenure, Gandhi stood for peasant proprietorship. If farming is classified

according to farm organization, he advocated co-operative and collective farming as the ideal organization of cattle and agriculture farmings. As regards food shortage Gandhi was of the opinion that if we learn the lesson of self-help and self-reliance, it is not difficult to deal with food crisis when the country is full of resources.

It is obvious that under industrialism it is well nigh impossible to provide employment for all. It is this, one of the major issues that made Gandhi opposed to Industrialism and increased and indiscriminate use of machines. His attitude towards use of mechanical power is generally misunderstood. It is wrong to think that Gandhi was hostile to all types of machinery. What he objected to was the indiscriminate multiplication of machinery.

General trend of opinion today is that there is no escape from modern Industrialism. But the fact remains that Industrialism has many serious consequences. As such the Gandhian constitution of Indian village would be self-sufficient and self-contained units. But the alternative of Industrialism does not necessarily mean a return to the old absolute simplicity. In his own way Gandhi too wanted to industrialize India but his notion of industrialization is quite different to the present Industrialism on factory method. His idea of Industrialising India was that the village communities should be revived. The programme prescribed by Gandhian Economic Thought is, in nut shell, the Regeneration of the villages. The charkha is the nucleus of the programme and liquidation of poverty is the main target.

Before the Industrial Revolution, the small concern was the type, the large scale was the exception. Some problems of great magnitude arise out of the large scale of production. It leads to centralization of power and riches in a few hands or groups resulting in inequality in income and increased unemployment and poverty. It is merely an association of money bags and it leads to over production. Consistent with his principles of individual liberty,

progress and non violence, Gandhi favoured only two types of organizations, namely the sole producer type supplemented by the co-operative type of enterpreneurial organizations. He thought that mass production entails round about way of distribution resulting into accumulating of hoards in the pockets of the few and want in the midst of plenty in regard to the rest. He, therefore, conceived the idea of simultaneous production and distribution to eliminate these complexities. Therefore, his theme of production was that not only the best methods of production but the best methods of distribution should simultaneously be employed. This is possible only when production and consumption are localized. Hence Gandhi's insistence on 'back to village'. The proper function of the cities is to serve as clearing house for the village products. Gandhi picked up the two most important village industries, i.e. articles of food and dress and thought that it required careful consideration as to what other industries are to be revived.

At this age of industrialism, like individuals particular localities are found to specialize in industries. This is what is known as localization of industries. Though a number of advantages, are claimed, the disadvantages overweigh all the advantages. To tide over such complexities Gandhi has always advocated such decentralization of economic and political powers in the form of, more or less, self-sufficient and self-growing village communities. If one is rural minded he has to have faith in the spinning wheel. But Gandhi did not mean to take up spinning exclusively but as a basic cottage industry. He thought that if this one cottage industry is put on sound footing, others will follow. To banish poverty and unemployment from the country is the main target of Gandhi which in his view is possible only through decentralization. Under the circumstances he desired India to have a plan whereby it may be possible for her to make full use of the whole man power.

Striking inequalities in the distribution of wealth are a characteristic of the capitalistic organization. To equalize the distribution many remedies are suggested. But the fact remains that none of

the methods has proved successful so far in eradicating glaring inequalities resulting into grave social discontent and inter-class hatred and jealousies. Gandhi visualized a new type of non-violent society to be organized having new values of life so that the problem of inequality may be solved without the least amount of force or violence. Economic equality of his conception means that everyone will have a proper house to live in, sufficient and balanced food to eat, and sufficient khadi with which to cover himself. It also means that the cruel inequality that obtains today will be removed by purely non-violent means. He believed along the lines of Ruskin's. **Unto this last**, that is, the smallest should be equal to the tallest. Before any future programme of furthering prosperity can be envisaged he wanted to bring the rich and the poor on a common line. To bring about this state he thought of a levelling process whereby the rich were to come down and the poor to go up so that as far as possible the gap between the two may be narrowest possible. To bring about the levelling down of the rich he advocated the ideal of trusteeship.

Gandhi thought it necessary to fix the limit beyond which reduction in wages can not go. In other words there must be a minimum living wage. This minimum living wage is to be based on a reasonable balanced diet. If a firm could not meet this, better to close it down. Thus Gandhi held that the workers should be given a just wage and then they will work to the full and there will be no conflict.

A trade Union is an organisation of the labourers formed with the objective of improving the conditions of employment. The main difference between the prevailing and Gandhian principles is that whereas an antagonism between the interests of the employer and the employee is recognized in the former, Gandhi did not recognize it. Gandhia dmitted that there will be class division but it will be horizontal and not vertical as is today, if the social structure is based on service motive instead of selfish motive. Because of ignorance and communal and class feelings labour wants to kill or destroy



the capitalist, otherwise labour is superior to capital and in close co-operation it can work wonders. Gandhi wanted the labour also to combine with service motive and then capitalists would exist only as trustees. On these basis principles Ahmedabad Labour Union was organized at the instance of Gandhi which has done admirable work and Gandhi commended it to other Trade Unions in the country.

Gandhi did not approve of the formula of commercial discrimination. But in order that this principle may be applied in its full implications he wanted the conditions to be equalized and for that reason he preferred discrimination if it may be called so. Tracing the course of action in this respect he expressed that for years to come India would be engaged in passing legislation in order to raise the down trodden, the fallen, from the mire into which they have been sunk by the capitalists, by the landlords, by the so-called higher classes, and then subsequently and scientifically by the British rulers. In conformity with the principles of equalization he did not visualize any discrimination and hoped that India will have an opportunity for commerce.

Gandhi held that the present system of public finance and taxation is highly inequitable and irrational. It will, therefore, have to be radically recast and overhauled. It is clear that though the scope for heavy taxation is very much restricted in Gandhian system of society, yet to achieve that ideal there is margin for taxation in some spheres today, for instance, he pleaded for duties like death duty to be imposed.

In an economy of the kind we envisage the volume of commerce and trade will necessarily be restricted. Commodities will exchange with commodities and the part that money would play will be confined to acting as means of exchange. In Gandhian economy there will be very little share of money as a medium of exchange. The farmers will exchange other commodities required by them against

their production. The artisans will get their wages also in kind. Thus a great deal of the local supply and consumption will proceed under barter economy.

Our planning machinery is too much drawn away by mere monetary and statistical considerations to the neglect of some of the basic facts of our people's peculiar situation. It is not conducive to change our culture to fit in the assumed frame. It will, thus, be wrong to copy the Western orthodox pattern of industrialization and the pattern for it should suit our peculiar conditions. There is a grave necessity to try to build from below and not from above, as it is today. India is at a cross road of its developing process. She has to choose the way. There are two ways open before her, viz. the Western and the Gandhian. She has to decide whether to continue to follow the same way or to come back to the Gandhian way which though narrow, is sure to reach the goal sooner and with less fatigue. Plans that call for the investment of thousands of crores in a country where getting one square meal a day is an achievement with the majority are destined to be largely on paper. The conditions of the country are such that the type of organization required for the modern planning may remain wanting for generations to come. We have to make the plan essentially labour-intensive and not capital-intensive. Hence a system of planning is required which may find full support of the people and which may be understandable and workable by them without any complications. That planning can only be the Gandhian one which is so simple requiring negligible capital and equipment. Removal of unemployment and thereby the grinding poverty of the masses is the first objective in any scheme of planning that may go under the name of 'Gandhian'. The wisest choice under Indian conditions is to follow Gandhian Economic Thought to bring about an economic and social order perhaps undreamt of, yet giving sufficient light to our track ahead and promising conclusively.

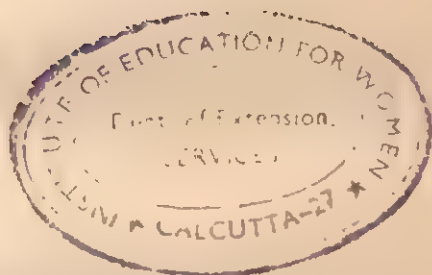
The economic ideals of Gandhi though curiously viewed by modern society more as an idealism than actualities, they corres-

pond to some extent to the economic ideals of many economists. The comparison of aspects of Gandhian economic ideals with other prominent economists of the past and present leads one to the conclusion, firstly, that there is no force in regarding Gandhian economic ideals peculiarly utopian and impracticable. It is also unfair to assume that in presenting his economic ideals Gandhi is completely isolated from other economic ideals of the world. And secondly, since the nucleus of his economic philosophy has been permeating the minds of World economic thinkers from olden days till today, Gandhian economic ideals like other fundamental economic principles are quite capable of being practised and all the world over subject to local modifications and adjustments.

---

# 2 Background to Gandhian Economic Thought

Oudh Kishore Saxena







## 2 Background to Gandhian Economic Thought

Oudh Kishore Saxena

The term economic thought may refer to the study of ideas concerning economic facts and forces over a certain period of time. Haney has defined Economic thought as "A critical account of the development of economic ideas, searching into their origins, inter-relations and manifestations." In this context a study of the development of economic ideas in a country brings to light the conflicts and contradictions, in theory and practice, applied to its economic problems. The concept of 'Relativity' becomes self-evident by emphasizing that economic ideas are not to be judged with dogmatic absolutism. They should be examined in the context of conditions and environments in which they are shaped. Again such a study helps us in exploring the causes of a country's economic ills and thereby making it easier to find out suitable remedies. The analysis of economic ideas over a given period of time also reveals a certain element of continuity in the mode of thinking of contemporary economists. Here we can adopt two methods of study namely, (a) objective method and (b) subjective method.

In the 'objective method' we study a body of economic theories irrespective of the time and conditions in which they have grown. In other words, this method presupposes universality of economic ideas. Reference to actual economic facts and institutions are avoided unless they become necessary for the proper understanding of the appearance or disappearance of particular theories. As a matter of fact, in the objective approach, the economic history of

a country is not allowed to exercise much influence. Economic theories once evolved become universal and do not remain associated with any particular country. We can not correctly appreciate the real merit of Gandhiji's economic philosophy if we follow this objective method.

In the ' Subjective method ' we study the economic thought of a country in relation to its political, social and economic environments over a given period of time. Here economic history exerts a considerable influence on the development of economic ideas. Man is the product of his environments and, therefore, his ideas are often guided and limited by the changing circumstances and environments, our study may lead us to wrong conclusions.

Judged from the above point view of Gandhian economic thought can better be studied from the subjective angle. The political and economic circumstances in India during the later half of the 19th-century and the first half of the 20th century were such that abstract thinking or the evolution of new economic theories was not possible. The situation demanded the Indian thinkers to concentrate their full attention on the analysis of Indian economic problems and to work out practical solutions for that. It is for this reason that the economic ideas of Gandhiji like those of Dadabhai Naoroji, R. C. Dutta, Ranade, Gokhale and Tilak, are contained in the criticism they made of the Government's economic policies and principles laid down by them for the solution of the problems before the country. Thus Gandhian economic philosophy can better be studied in the light of the developments and trends of India's economic history ; the evolution of British policy and action and the growth of Indian National Movement.

For a careful analysis of these facts and the assessment of Gandhiji, the economist, it is necessary to go back to the immediate past and find out the impact of earlier economic thinkers on Gandhiji's mind. The period from 1857 to 1919 provides the background to the Gandhian economic thought and the origin of

many of his well known economic ideas like those on Swadeshi, Salt Movement, Prohibition, Village industries, and so on and so forth can easily be traced to the pronouncements of Ranade, Gokhale and Tilak.

The most important of all Indian thinkers was Madhav Govind Ranade, who created revolution in Indian economic thought. Besides being a critic, he was also a constructive thinker who could foresee the future of India's economic growth through a course of action different from the accepted principles of economic policy. He was also the man who showed the light to a whole generation of Indian economic thinkers and inspired them to devote their intellect and energies towards useful studies in the problems of Indian economic development. Ranade essentially was an economist with the vision of a prophet and to some extent his interpretations and suggestions hold good even today. Gopal Krishna Gokhale's following remark about Ranade hold equally good for Gandhiji :

“ To a certain extent also his optimism sprang from the fact that his horizon was wider than that of others. He saw from the mountain top when others could see only from where they stood on the plain below” :

We find similarity in the ideas of Ranade and Gandhiji on a number of subjects. Ranade stood for a proper balance between agriculture and industrial sector of economy. He did not like industries to grow at the expense of agriculture, but that the two should go hand in hand in order to provide alternative employment to the surplus population dependent on agriculture in the absence of such industries. In essence, Gandhiji's ideas about rural uplift and development of village industries reflected the same sentiments though in a different form.

Gopal Krishna Gokhale in many ways, was a true disciple of Ranade. His close association with the great thinker, resulted in his imbibing Ranade's spirit of patient enquiry, close study and sound



reasoning. As a member of the Viceroy's Legislative Council, he delivered his immemorable budget speeches on economic and financial matters. His plea for reduction in the salt duty on economic and ethical grounds, his views on consumption of liquor and his views on Swadeshi earned universal recognition and respect and also influenced the mode of thinking within the Indian National Congress of which he was elected President in 1905.

Gokhale's views on 'salt tax' occupy a prominent place in the contemporary discussions on the subject. Here also he enunciated principles which had a certain logic behind them and appeal to reason. He argued that salt was a necessity of life and as such the burden of the tax falls more severely on the poorer sections of the population. Any increase in the duty on salt was bound to have an adverse effect on the Welfare of the common man. Gandhiji's famous Dandi March and salt satyagrah was the only a manifestation of Gokhale's views on this subject. Regarding Swadeshi, Gokhale made the following remarks in his Lucknow speech in 1907, "..... but there is the fourth way, which is open to all of us and in the case of most, it is perhaps, the only way in which they can help forward the Swadeshi movement. It is to use ourselves, as far as possible, Swadeshi articles only and to preach to others that they should do the same". Gandhiji's philosophy regarding Khadi is very much in conformity with the above sentiments expressed by Gokhale. It is true that the Charkha Movement and the allied aspects of Gandhiji's philosophy differed in form from that of Gokhale but in essence the underlying spirit has been the same.

P. S. Lokhathan rightly made the following observations about Gokhale, " Most of the principles which he enunciated were not only true in his days but also stood the test of time and are **inceptions** of the modern ideas on the subject ". Even Gandhiji recognized the influence of Gokhale on his political and economic ideas although the circumstances of India and the trend of public opinion in Gandhiji's time had undergone changes to the extent that many of his policies and programmes differed from those of his predecessors.

Hayland has beautifully summarised some of the views of Gokhale in the following words:—"Increase of revenue under land tax, he refused to regard as indicative of increased prosperity since the people were forced to pay the enhanced taxation under this head on the pain of parting with their land. Increase in excise merely showed that drunkenness was more prevalent than formerly was and the increase in the heading of stamps merely showed that the people were becoming more litigious". Taking these conclusions to be true Gandhiji launched his non-violent movement for the eradication of these evils.

The main contrast between Gandhiji and his predecessors is that while the latter represented the privileged middle class of the 19th Century having little direct touch with the masses, Gandhiji stirred the whole Nation through his direct contacts with the people. Gandhiji believed in God, lived like a Saint and preached the gospel of truth and non-violence. The majestic strain in Gandhiji's make up created a deep impact on the Indian masses. Here it is important to note that economic and political factors were responsible in the make up. His real success lay in his spiritualising Indian politics and economics through his constructive programmes of social reform. It can be rightly said to his credit that what appeared to be utopian formerly, suddenly turned out to be real and for the Indian masses Gandhiji became a symbol of our national regeneration. Drawing inspiration from his predecessors Gandhiji felt that a complete reorientation and reexamination of all traditional ideas was necessary to create a climate of hope in the young people with a view to draw them into the National Movement. According to P. K. Gopalakrishnan, "His expressions and theories nourished a vanguard leadership utopian conscience, its feeling of having broken through the maze of illusions that clouded its vision, the key to perfect action, it is thought was achieved. Herein lay, perhaps, Gandhiji's success as a leader of his people". The ideas set forth by Gandhiji represent not only the economic and social aspects but also the philosophical thought.

From the foregoing observations it can be inferred that the development of economic ideas preceding the advent of the Gandhian era provided the natural background for Gandhian economic thought, which along with the national movement has won freedom for India. The demand for the abolition of the salt tax, the Khadi Movement, the cry for the revival of the village industries and the policy of prohibition, all have their roots in the economic ideas of Ranade, Gokhale and Tilak. The economic policies and programmes of Indian National Congress during the Gandhian era are simply the manifestations of the economic ideas put forward by the earlier thinkers with only some modifications and alterations as demanded by the changing circumstances of the time. Indian nationalism owes its growth to economic forces and to the same extent the development of economic thought owes its growth to the National Movement.

In the end it may be concluded that for a proper evaluation and understanding of Gandhiji's economic philosophy, it is necessary to follow a course of continuous institutional research on the subject so that the possible gaps in the chain of economic ideas may not only be filled up but may help the coming generations in assessing their real worth in a proper perspective.

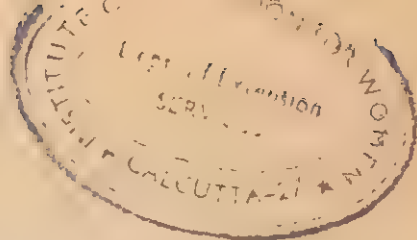
---

# 3 The Economic Structure of the Gandhian State

Usha Kiran Mehta







### 3 The Economic Structure of the Gandhian State

Usha Kiran Mehta

The Economic structure of the Gandhian State is founded on the moral ideal of self-realization which inspires and moulds the conception of life in all spheres. The literature of Gandhian economic thinking have taken incorrect methodological approach. Gandhiji is treated basically a philosopher and the Gandhian economic policy recommendations are derived from his basic axioms of philosophy, the principles of non-violence. They get a very wrong and false impression that Gandhian economic policies are based on the philosophical axioms and as such these policies are historically non-relative, they follow a programme which is applicable and relative to all kinds of economic situations. Gandhiji arrived at certain ideals for economic policy because of his vision of the way of the operation of colonial economic system.

#### **Gandhi and Colonial Economics :**

Gandhiji felt that the introduction of western capitalism in the environments of Eastern agrarian economics was leading to the state of vast mass poverty. There was no hope of quick solution too. It was felt that such exploitative relationships of colonialism would result in a drain of bullion from the colonial areas. The western capitalistic society thought that race, climate, culture, religion and other such factors were responsible for the lazy attitude of the Indians. Bankimchandra Chattopadhyaya felt that high birth rate and high rates of population growth were also responsible factors for the vast poverty of India.

Gandhiji was not satisfied with these approaches of the economic problems of the colonial areas. He felt that the fundamental problem was to be found in the decay of the domestic handicraft industries to the villages and the resulting loss of occupations and improvization of the Indian masses, who were forced into agriculture as their only means of subsistence. He also felt that in this process of the decay of village, the city sector of the colonized areas played the same role as that of the manufacturing industries of the of the colonizing country. He sought the solution in his Swadeshi doctrine, Sarvodya, theory of Trusteeship, non-possession, non-stealing, bread labour etc.

The Swadeshi has for Gandhiji, a wide application to all spheres of life-religious, political social and economical. Gandhiji defined it as "that spirit in us which restricts us to the use and service of our immediate surroundings to the exclusion of the more remote. In the domain of Economics it means consuming only those goods which are produced by home producers or by one's immediate neighbours so as to give greater strength and efficiency to the indigeneous industries. The principle accepts "the scientific limitation of human capacity for service." This is one of the vows of Gandhiji at the Satyagraha Ashram at Sabarmati. He says "Swadeshi is a religious discipline to be undergone in utter disregard of physical discomfort it may cause to individuals. A Swadeshi will learn to do without hundred of things which today he considers necessary. Moreover, those who dismiss Swadeshi from their minds by arguing the impossible, forget that Swadeshi, after all, is a goal to be reached by steady effort. And we would be making for the goal even if we confined Swadeshi to a given set of articles allowing ourselves as a temporary measure to use such things as might not be procurable in the country."

The Swadeshi doctrine is a plea for the protection of home industries especially those which have the potentiality of growth but it does not mean ill will for any country. "To reject foreign manufactures merely because they are foreign and to go on wasting

national time and money in the promotion in one's own country's manufactures, for which it is not suited would be criminal folly and a negation of the ' Swadeshi ' spirit. Gandhiji further says, " It ( Swadeshi ) is in no sense narrow, for I buy from every part of the world what is needed for my growth ; I refuse to buy from any body anything however nice or beautiful if it interferes with my growth or injures those whom Nature has made my first care ". However, he would have no objection to buy any " useful healthy literature from every part of the world or surgical instruments from England, pins and pencils from Austria and watches from Switzerland ". But he could never think of buying an inch of finest cotton fabric from England or Japan or any other part of the world as it would injure the indigeneous industry—of India. This explains why he put so much emphasis on manufacturing all India's cloth requirements inside the country. Gandhiji's mission of life was to preach the manufacture of " Khaddar ". Khadi could be the only subsidiary industry it could claim the country of getting enriched with its production. " The sole claim advanced on its behalf is that it alone offers an immediate practicable and permanent solution of the problem of idleness—owing to lack of a suitable occupation supplementary to agriculture and the chronic starvation of the masses that results therefrom ". Its revival would encourage other industries. It reflected Gandhiji's preference for the decentralised industry. According to Gandhiji for the needy it was an economic proposition and for others it was spiritual because by " spinning and weaving Khadi alone they will express their sympathy for the poor. "

Gandhiji welcomed legal protection. He says, " I hate legislative interference in any department of life. At best it is the lesser evil. But I would tolerate, welcome, indeed, plead for a stiff protective duty open foreign goods ". Contrary to the free trade of English liberals Gandhiji's argument is the " infant industry " argument advanced by list and accepted by the classical economists. In Gandhiji's economics the moral consideration is the supreme and moral growth for Gandhiji consists not in the multiplication of

material wants, but in the basic minimum requirements and as such denoting the maximum energy to the pursuit of spiritual natures. He holds that "increase of material comforts, it may generally be laid down, does not in any way whatsoever conduce to moral growth". Quite contrary to classical economists' notion of the supremacy of material comforts in man's happiness and social welfare, Gandhi believes in limiting our wants to necessities.

Gandhiji had strong fear against the introduction of labour-saving machines as it would result in unemployment and in the production of luxury articles. Gandhiji says : "What I object to is the craze for machinery, not machinery as such. The craze is for what they call labour-saving machinery. Men go on saving labour till thousands are without work and thrown on the open street to die of starvation. I want to save time and labour, not for a fraction of mankind, but for all. Today machinery merely helps a few to ride on the backs of millions. The impetus behind it all is not the philanthropy to save labour but greed. It is against this constitution of things that I am fighting with all my might". Gandhiji would not be convinced of the economists' view that this sort of the unemployment could be removed by starting new industry for the production of other kinds of goods. But Gandhiji had firm belief that these new industries would produce only luxury goods thereby creating more instability of demand for comforts. He did not like to exhaust human energy in search of pleasure. Gandhiji would not mind the use of machinery if the danger of unemployment and exploitation could be removed. He would make exceptions like that of singer sewing machine. But in that case there would have to be a factory for making these singer sewing machines and it would have to contain power-driven machinery or ordinary type. "But", says, Gandhiji, "I am Socialist enough to say that such factories should be nationalized. They ought only to be working under the most attractive conditions, not for profit, but for the benefit of humanity, love taking the place of greed as the motive power". But he would not extend this exception to that of a motor car, "because it does not satisfy any of the primary wants

of men ; for it is not the primary need of man to traverse distance with the rapidity of a motor car. The needle, on the contrary happens to be an essential thing in life a primary need ”.

Limitations of wants to necessities and economic decentralisation are the chief considerations behind the economic structure which Gandhiji would like to see. This ideal would be achieved through the village economy based on agriculture and cottage industries. He says ; “ I would say that if the village perishes India will perish too..... The revival of village is possible only when it is no more exploited. Industrialization on a mass scale will necessarily lead to passive or active exploitation of the villagers as the problems of competition and marketing come in. Therefore we have to concentrate on the village being self-contained manufacturing mainly for use. Provided this character of charter the village industry is maintained, there would be no objection to villagers using even the modern machines and tools that they can make and can afford to use. Only they should not be used as a means of exploitation to others. ”

### **Theory of Trusteeship :**

Gandhiji's doctrine of trusteeship applies with regard to the accumulation of wealth beyond one's need. Gandhiji says : “ I understand the Gita's teaching of non-possession to mean that those who desired salvation should act like the trustee who, though having control over great possession, regards not an iota of them as their own ”. Such doctrine implies an ideal of economic equality. He completely endorses Marx's definition of economic equality : “ To each according to his needs ”. He is fully conscious of the difference in individual capacity. He would allow an intelligent man to earn more. He would not like the wealthy to be dispossessed of their wealth. “ Society, he says will be the poorer, for it will lose the gifts of a man who knows how to accumulate wealth. ” Instead of dispossessing the rich, he would like him to be the “ trustee ” of the public for the wealth they possess. “ The rich man will be left



in possession of his wealth, of which he will use what he reasonably requires for his personal needs and will act as a trustee for the remainder to be used for the society. In this argument, honesty on the part of the trustee is assumed." "You may say that trusteeship is a legal fiction. Absolute trusteeship is an abstraction like Euclid's definition of a point, and is equally unattainable. But if we strive for it, we shall be able to go further in realising a state of equality on earth than by any other method." "Legal ownership in the transformed condition vested in the trustee, not in the state. It is to avoid confiscation that the doctrine of trusteeship came into play retaining for the society the ability of the original owner in his own right."

Some consideration of 'Sarvodaya' or 'Common good' which justifies for Gandhiji, the right to private property also justifies some control by the state. If the rich do not become guardians of the poor, what is to be done, Gandhiji says, "In trying to find out the solution of this riddle, I have lighted on non-violent non-cooperation and civil disobedience as the right and infallible means. The rich cannot accumulate wealth without the co-operation of the poor in society." But if the rich do not act as trustees and if the poor are not sufficiently trained in non-violent non-co-operation to persuade the rich, then Gandhiji would not mind state regulation, though with the minimum use of force. He says, "What I would personally prefer would be not a centralisation of power in the hands of the state, but an extension of the sense of trusteeship; as in my opinion the violence of private ownership is less injurious than the violence of the state. However, if it is unavoidable, I would support a minimum of state ownership. He goes to the extent of saying, "Every vested interest must be subjected to scrutiny and confiscation ordered where necessary- with or without compensation as the case demanded." He advocates state ownership partially because it endangers individual liberty. He advocated state ownership of those heavy industries which he regarded as unavoidable in actual conditions. This is to be brought about by

what he calls the minimum amount of force, by which he apparently means the use of constitutional machinery.

### **Non-possession And Non-stealing :**

Gandhiji's ideal of self-realisation and absolute love implies the ethical ideal of absolute non-possession. He says, 'Theoretically when there is perfect love, there must be perfect non-possession. So a man can only exercise perfect love and be completely dispossessed, if he is prepared to embrace death and renounce his body for the sake of human service.' The doctrine of 'Non-stealing' implies that every one has a right to his own property and that this should not be violated." Here the right to property is not going against the spirit of Non-possession. According to Gandhiji all kinds of exploitation amounts to stealing. He even says that taking or keeping of things which are not required, is also a kind of stealing. The idea of Non-possession is merely an extension of the ideal of 'Non-stealing' of course he believes that every one must have a balanced diet, a decent house to live in, facilities for the education of one's children and adequate medical relief. But the right to property has no justification but 'Sarvodaya' or 'Common good.'

### **Bread Labour :**

This ideal was borrowed by Gandhiji from Tolstoy and Ruskin and he found the confirmation of this in Gita and Bible. He says, 'the law that to live, man must work hard, first came home to me upon reading Tolstoy's writing on Bread labour. But even before that I had begun to pay homage to it after reading Ruskin's *Unto this last*. The divine law, that man must earn his bread by labouring with his own hands, was first stressed by a Russian writer named T. M. Bondaref. Tolstoy advertised it and gave it wider publicity". Bread labour implies voluntary performance of duty and not through compulsion. Gandhiji gave significant importance to manual labour for training in moral discipline. In case of mental workers, they are not only to earn their livelihood by their

profession, which the law of verna implies, but they must exert physically so as to perform some productive function for the sake of service to the community.

We are in a position to see the principle of Gandhian economic thought. Gandhian thought starts with the characterisation of the colonial economic system. The solution for the elimination of poverty is not to be realized only by the removal of foreign colonisers but also by the attainment of several other ideals. Gandhiji accepts a system in which the economic needs of the individual in society is regarded as limited in principle and the objective of the economic system is seen in the provision of the basic minimum for all. The colonial economic process would become minimum for all. The colonial economic process would become unworkable by the production of khadi and the boycott of the mass-produced goods. This should be gradually replaced by Swaraj - decentralization of industries followed by the trusteeship. The attainment of this economic structure is sufficient to establish an era of economic Sarvodaya with a complete elimination of economic inequalities.

---

# 4 Gandhiji on Decentralisation of Industry

Kumari P. Leela





## 4 Gandhiji on Decentralisation of Industry

Kumari P. Leela

India is predominantly an agricultural country. More than seventy per cent of its population is dependent on agriculture for their living. The country is economically backward with a vast majority of the people living at the bare subsistence level. Only a few people like landlords and businessmen have all the luxuries of life. Thus the Indian environment is marked by large inequalities in income and wealth among the different communities. More than sixty per cent of the population suitable for work is unemployed or under-employed. People who are dependent on agriculture have no employment for at least four months in an year because agriculture is not a continuous process in our country. Most of the regions depend on the monsoons and do not have much irrigation facilities to make agriculture a continuous process. Therefore, most of the agricultural families do not have work after the harvest and they simply waste their time in idleness. Even if these people want to do some other work during that period, the State is not in a position to show any employment. As it is very difficult to make both ends meet, many of the agricultural families resort to borrowing from the Village money-lenders. These lenders charge abnormal rates of interest and are actually squeezing at least forty percent of the agriculturists. Gandhiji writing in 'Harijan' on November 16, 1934 commented "The villagers live a lifeless life. Their life is a process of slow starvation. They are burdened with debts. The money-lender lends because he cannot do otherwise. He will lose all, if he does not. This system of village lending baffles investiga-

tion. Our knowledge of it is superficial, in spite of elaborate inquiries." Though three decades have elapsed since Gandhiji wrote, conditions in this regard have remained more or less the same.

Let us now look into the industrial economy. The country is very rich in mineral and other industrial and non-industrial raw materials. But the country is not able to utilize these resources and a large part of them are exported to foreign countries like U. S. A., U. K. and countries in the Continent. Industrial raw materials like iron ore are exported to countries even in South East Asia. For instance, twenty million tons of iron ore is exported to Japan every year. While most of the raw materials are thus exported, a large part of the finished goods are imported into the country. During the British rule we were exporting raw cotton at a cheaper rate to England and buy dear-rated finished cloth from Manchester. Numerous such examples can be given where finished goods made out of the very raw materials exported by us at cheaper rates are imported into our country at dearer rates even now. This situation of exporting raw materials and importing finished goods continues for long. This is chiefly due to the fact that ours is a poor country with paucity of capital and scarcity of technical personnel to embark on large scale industrial development. Unless industrialization takes place on a large scale, the country cannot fully utilize its raw materials. Further, there are only a few well-established industries in the country like Iron and Steel, Jute, Sugar and Cotton textiles. But even in some of these industries, there is under-employment of labour. For example, in the Sugar industry, the labourers have work only during the sugar season (October to April). After the sugar season they have to seek some other employment, but it is very difficult for most of them to get employment elsewhere. Finally, there are inherent defects in India's industrial development and the most notable among them is the presence of large regional imbalance. A few places are industrially well-advanced with all the opportunities of employment and other amenities, while most of the country is left without proper development.

Thus the agricultural and industrial economy of India is characterised by large scale unemployment, paucity of capital, high inequalities in the distribution of income and wealth and striking regional imbalances.

An attempt has been made in the first three Five Year Plans of the country to remedy the basic defects in India's agricultural and industrial economy, but the results achieved are not encouraging. Evidently the planners believed that by establishing large scale industries the defects in the economy would disappear automatically. Though the country has progressed in some respects and achieved self-sufficiency in certain articles by the establishment of some such industries during the fifteen years of planning, the basic defects in the economy have remained as they were.

Large scale industries inevitably lead to exploitation and are associated with violence and untruth. Take the case of Manchester Textile Industry. For quite a period Indian hand-spun cloth used to be exported to England. However, after the Industrial Revolution in England, Manchester emerged as one of the biggest cotton textile producers. But long staple cotton could not be grown in and around Manchester. Cotton grown in India at that time was only short staple variety. Short staple cotton is not suitable in power-looms where only long staple cotton is required. So the Britishers turned their attention towards the Southern States of America where many of the settlers were of British origin. But it was difficult for the British settlers to work in the hot sun. So they had to get slave labour for field work. This gave an impetus for Negro slave trade. When Abraham Lincoln raised his voice against slave trade, there was a civil war between the Southern and the Northern States. The civil war ultimately ended and export of cotton to Manchester was stopped to a large extent. Since labour was not available in required numbers to work in the fields, production declined. By this time the British took over the reins of the Indian Sub-Continent from the East India Company. The British under the pretext of developing agriculture in India encouraged the growing of long staple cotton in Punjab. Cotton

so produced was exported to Manchester. To facilitate easy exports, the British Government developed the National High Ways and Ports in India. But the whole cost of the development was borne by the Indian tax payers. In the whole history of this, there is a large amount of dubiousness, violence and untruth.

Further, the establishment of large-scale industries leads to other problems and also cannot remedy the basic defects of the economy. Firstly, in such industries labour-saving devices are invariably used with the result that the demand for labour on the whole and consequently the employment potential falls down. For example, prior to industrial revolution cloth was produced in almost every village in our country. Some of the fine varieties of cloth were even exported to foreign countries. However, when England began to produce cloth on a large scale, a large part of it was again imported into India. Imported cloth being cheaper, the demand for home-made cloth declined rapidly and many villages hitherto engaged in the production of hand-spun cloth stopped producing the same. This eventually led to large scale unemployment in the country. The situation has not changed in any way after the cotton textile industry has taken deep roots and greatly flourished in our country. Only a few thousand people could seek employment in this industry, while a large number of workers, displaced due to the introduction of power-looms, remained unemployed.

Secondly, the large scale industries offer no solution to reduce the inequalities of income and wealth among the different sections of the population. To start large scale industries, huge capital is needed. It is only the rich who can invest in large amounts. But, if industrialization is left in the hands of the rich, inequalities will only be increased. It might be argued that the State should itself start large scale industries for the benefit of the people at large, but it cannot do so on its own owing to limited resources. Hence, the State has to necessarily call for private capital to embark on large scale industrialization which would perpetuate the inequalities.

Thirdly, large scale industries tend to lead to the concentration of industries in a few places as at present and so a balanced regional development is out of question. Also, due to concentration of industries in a place, the health of the people in that area suffers due to heavy local congestion in spite of ameliorative measures taken.

Finally, in large scale industries, the element of democracy—one of the widely accepted doctrines—is absent. The workers have no right in the management of the affairs of the industry and they have to simply follow the dictates of the Top Management. Under such circumstances the initiative of the worker dies out. It might be argued that there are many schemes of 'Workers' Participation in Management in many industries, but they are a mere farce.

So from what is said in the preceding paras, it is beyond all question that planning hitherto adopted by us giving priority to the establishment of large scale industries, cannot remedy the basic defects of the economy. This was exactly what Gandhiji felt long before and suggested a decentralised economy. He believed that the salvation of the country lies in decentralising the industrial sector. Decentralised economy is based on truth and non-violence the two slogans of Gandhiji and to a large extent is devoid of exploitation of the poor by the rich and the under-developed countries by industrially advanced nations.

In the scheme of decentralisation envisaged by Gandhiji, the village industries dominate the entire industrial field. But this does not completely rule out the existence or establishment of large-scale industries, Gandhiji was definite of the significant role that these industries would play in the industrial economy of India. Writing in 'Harijan' on June 22, 1935 he remarked. "The heavy machinery for public utility has its inevitable place, but all that could be owned by the State and used entirely for the benefit of the people." Further, in the same article he added that he had no objection to the establishment of any heavy machinery "which does not deprive



masses of men the opportunity of labour, but which helps the individual and adds to his efficiency ". Writing about machinery in ' Young India ' on November 13, 1924 he started " I am aiming not at eradication of all machinery, but limitation ".

As already said, under the decentralised economy envisaged by Gandhiji the village industries dominate the entire industrial field. In the village industries the traditional crafts are given a prominent place. Handspinning and weaving of cloth is important among these crafts. Hand-spun and hand-woven cloth which is widely known as ' Khadi ' lasts longer than mill-made cloth. To produce khadi not much capital is required and not much instruction is needed. But it fulfils one of the basic necessities of life. Since it can be produced by a single individual, he can do so in his spare time and add to his resources. This is a boon particularly to villagers who have no work after the harvest. They need not simply waste their time in idleness, Thus it would help to curb their laziness also, while adding to their resources. For all those unemployed, it would give self-employment. Cloth so produced in excess of the requirements of these people can be sold to others who are engaged in other professions. Like Khadi many more articles of daily use can be produced by a single individual at home and it involves only a small amount of capital. Soaps, Utensils and Hand-loom cloth may be mentioned as examples.

There are many such articles which can be produced by the villagers themselves. The following may be given as examples—Paper, Electrical equipment like Switches, Plugs and Plug-pins ; Glass-wire, Sanitary-ware and Khandasari Sugar. Such articles can be produced under the scheme of cottage industries. A few individuals can join together and start these in Industrial Estates. Also, some ancillary industries can be started under the scheme of cottage industries [for the manufacture of small components like screws, nuts and bolts required in large-scale industries. While offering additional employment opportunities, these industries also help to some extent in decentralising the economy.

The establishment of village and cottage industries would solve many a problems facing the country. These industries offer a large employment potential and give the masses of men the opportunity to work and earn. Since the capital required to start and run these industries is small, even middle-class people can venture to become entrepreneurs. The wide opportunity of employment to the poor and the participation of the middle-class in the ownership of the industrial sector go a long way to reduce the inequalities in the distribution of income and wealth in the country. As these industries can be started throughout the country, a balanced regional development can be achieved.

Besides solving the problems facing the country, there are certain basic advantages in the scheme of village and cottage industries. Unlike in most of the large-scale industries where only a few Managing Agents manage the affairs of the concerns, in village and cottage industries, many common and local people may be associated with the management and ownership. This gives scope to utilize the initiative of a larger section of the population to the best advantage of the community as a whole. The employers and the employees being local people, there would be greater harmony, mutual trust and confidence with little friction between the workers and the management. Such a system is congenial to the growth of a healthy society and in such an environment, there will be usually no strikes and lockouts. Hence, this would lead to greater production. Since most of the villagers would find suitable employment in and around their own places, there will not be heavy migration to urban areas. This would minimise congestion in those areas. When such industries are started in villages, the local people would find their life interesting and take more initiative in the industrial development of the country.

However, the protagonists of large-scale industries, without any logical foundations, advance arguments against the intensification of the schemes of village and cottage industries. Their main plank of criticism is that no country can be considered civilised and cultu-

red unless it industrialises itself on the approved Western pattern. Commenting on this Acharya J. B. Kripalani, a true exponent of Gandhian Philosophy, in his article on 'Class Struggle' remarked: "The advocates of big industry do not count the cost in human woe and suffering of such industrialisation. They do not seem to have carefully studied their economic history or they would have known that the industrial revolution in the West was made possible on the misery of millions of workmen engaged in agriculture and handicrafts both in metropolitan and colonial countries. The colonial peoples in the process lost even their liberty and became mere hewers of wood and drawers of water. Their slavery became a danger to free countries and to world peace."

Another criticism often levelled is the lack of research facilities in the village industries to improve the quality of goods produced by them. It is true that these industries cannot run research cells by themselves owing to limited capital resources. But this difficulty can be obviated by the establishment of research units by the State itself and supplying the technical know-how free of cost to the small enterprises.

Criticism is also levelled against these industries working as ancillary industries and supplying minor components to the big industries. It is true that this is not a very healthy proposition unless there is mutual goodwill and co-operation between the large-scale industries on the one hand and the village and cottage industries on the other hand. If all the parts are manufactured by the big industries and assembled into various types of machinery, the profit margin would be greater than taking some components from the small-scale industries and producing the finished product. In such cases, it is suggested that the big industries should come forward and encourage the small entrepreneurs by taking the stocks suitable for the former. The State may persuade the big industries to take suitable components from the cottage industries. If necessary, the State should not hesitate to initiate proper legislation.

Decentralised industries as envisaged by Gandhiji have a definite place in our economy. Time and again, the government

is reminded by many enlightened people in this connection, but proper attention is not paid so far. In the First Five Year Plan a moderate amount was allotted for the encouragement of village and cottage industries. But only a small portion was ever spent. More money was allotted to these industries in the Second and Third Five Year Plans, but compared to the funds allotted to the large-scale industries, this is very little. Unless large amounts are spent in developing the village and cottage industries, the desired results cannot be achieved. Therefore, it would be a fitting memorial to the Father of the Nation, if the Government of India modifies the Industrial Policy Resolution of 1956 during the Gandhi Centenary Year giving utmost priority to the intensification of the schemes of village and cottage industries, and allotting necessary funds for the same in the Fourth Year Plan.

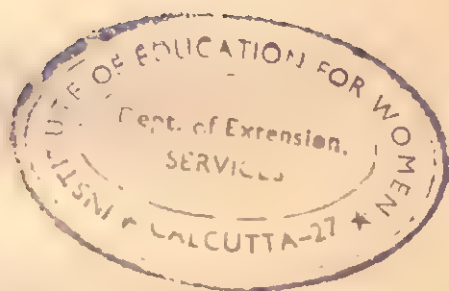
---





# 5 Gandhi On Family Planning

S. S. Gupta





# 5 Gandhi On Family Planning

S. S. Gupta

The idea of Family Planning has come to stay with the world but a survey of the literature on Family Planning from Malthus to the present day and the prevalent practices all over the world will show that mainly quantitative aspect of the problem has been touched and either nothing or almost nothing has been written or done about qualitative and social aspect of the problem. The credit goes to Mahatma Gandhi of India to present an integrated Family Planning programme which deals with quantitative, qualitative and social aspects at the same time.

Mahatma Gandhi's scheme is a four point scheme which can be briefly presented here. But before doing so, it will be profitable to know the reaction of Gandhi to the present methods of Family Planning.

## **Opposed to Artificial Methods :**

Gandhi felt that the modern artificial methods of controlling the size of the family are not very proper and that they are leading to disastrous results. For example, the use of contraceptives is undermining the health of Westerners because it encourages excessive indulgence and is also encouraging pre-marital sexual relations. Again, in Japan, the technique of abortion is giving birth to tensions

and creating new problems, besides undermining the health of women. To quote Gandhi :

“ Procreation is a natural phenomenon indeed, but within specific limits. A transgression of these limits imperils womankind, emasculates the race, induces disease, puts a premium on vice and makes world ungodly ”.<sup>1</sup>

Again :

“ If contraceptives are resorted to, frightful results will follow. Men and women will be living for sex alone. They will become soft-brained, unhinged, in fact, mental and moral wrecks ”.<sup>2</sup>

There is yet another objection :

“ Assuming that birth control by artificial aids is justifiable under certain conditions, it seems to be utterly impracticable of application among the millions ”.<sup>3</sup>

At least the experience of the under-developed countries of Asia and Africa confirms this view.

In support of this opposition to artificial methods Gandhi quotes William R. Thurston ( Young India, Sep. 27, 1928 ), Hill ( Autobiography, p, 150 ) and the saints and scriptures of India.

### **Gandhi's Four-Point Programme :**

But this does not mean that Gandhi was against all types of quantitative controls of population. The difference between him and the westerners is that he wanted to control the growth of population irrespective of the size, the natural resources and the stage of development of the country and through less injurious methods. This is evident from his views on marriage and **Brahmacharya** or celibacy.

- 
1. Young India, April 29, 1926.
  2. Amrit Bazar Patrika, Jan. 12, 1935.
  3. Harijan, Sept. 14, 1935.

## Late Marriages :

Gandhi, at his own cost, had come to know the pitfalls of early marriage - he was married at the age of thirteen. So he was against early marriage. ( Vide Autobiography, p. 8 ). Gandhi, therefore, asked people not to marry their children till they have grown up and are capable of sharing the responsibilities of their family. Surely late marriages are bound to affect the rate of growth of population adversely.

## Brahmacharya :

The second formula which Gandhi gave was self-control i.e., Brahmacharya or celibacy. Explaining its meaning and importance he wrote ;

“ Let us remember the root meaning of Brahmacharya. **Brahmacharya** means **Charya** or course of conduct adopted to the search of **Brahma** or Truth. From this etyological meaning arises the special meaning, viz. control of all the senses. We must forget the incomplete definition which restricts itself to the sexual aspect only ”.<sup>1</sup>

“ Brahmacharya is not merely mechanical celi acy, it means, complete control over all the senses and freedom from lust in thought, word and deed. As such it is ,royal road to self-realization or attainment of Brahma.”<sup>2</sup>

“ Brahmacharya teaches self-control not only of desire for sex but also of other senses. This all round self-control raises the moral fibre of the nation and removes vanity, anger, fear and jealousy from the people ”. <sup>3</sup>

- 
1. Young India, Sept. 3, 1931.
  2. Young India, Aprii 29, 1926.
  3. M. K. Gandhi, “Self Restraint Vs. Self Indulgenec”, page 51-53, 1958.



Thus, Brahmacharya will help not only in controlling the size of the family but will also improve the the quality of the people-health, moral fibre, self-control etc. Gandhi quotes Wiiliam Lebtus Hare, Hindu saints and scriptures in support of this view. He himself practiced it and realised its importance. He, therefore, with authority suggests the ways and means by which **Brahmacharya** can be practiced. Control of the palate, control of senses, clean companions and prayer are the aids which Gandhi suggests. ( vide : Autobiography, page 152 ).

### **International Migration of Population :**

So much about the long term solution of the problem. But what can be done in a short period to reduce the pressure of a very large population in countries like India and China. Even the protagonists of artificial methods of birth-control are unable to suggest a solution. So it will be worthwhile to turn towards Gandhi.

When Gandhi reached Africa he found that the condition of Indians there was very bad. They were badly treated by their European masters. He also came to know that they were invited by the whites for developing their own trade and business. This pained him. So he started thinking about problems of the Indians residing in Africa. While thinking about them he hit at the idea of international migration of population and the problems connected with it.

Gandhi, in course of his visits of Europe and Afr.ca as also during the struggles in Africa and India observed that due to rapid advancement in the means of transport and communication, the world is shrinking and people are becoming more and more cosmopolitan in outlook,<sup>1</sup> but at the same time due to fast growing des-

---

1. For example, the League of Nations was founded to settle the disputes of nations through an international agency. United Nations Organization with its all organs (I. M. F; World Bank, U. N. E. S. C. O; etc.) is also devoted to solve individual and

tructive power of armaments, nations are becoming super-sensitive and unduly narrow in outlook. <sup>2</sup> He also observed that while on the one hand free movement of capital<sup>3</sup> is increasing, on the other movement of people.

Living beings - is restricted.<sup>4</sup> These tendencies, together with the disproportionate distribution of population of the world in

---

international problems through the forum of family of nations. Happenings on Kashmir, Korea, Egypt, Hungary, U 2 flights over the world bear testimony to it.

2. The theories of self-preservation, balance of power, tussels between India and Pakistan, U. L. A. and Cuba, China and India, and China and U. S. A., and rules of Exports-Imports, Passports and Visa etc. are only a few examples of the growing nationalism.
3. For example, capital is freely flowing in India from a number of friendly countries like U. S. A. Canada, England, West Germany, Japan and U. S. S. R. and India is not the only country which is receiving these foreign aids and loans. Moreover also, by the foreign capitalists. And now huge amounts also being lent out by the World Bank.
4. For example, to great resentment of Japan, U. S. A. made the immigratton in 1924. The apartheid of S. Africa and immigration rules of every country should be eye openers. It is most surprising to note that countries like U. S. A., Canada and Australia, whose present stage of progress is due to the immigrants, turned nationalists, and should now shut their doors to outsiders.

different countries, looking to the distribution of area,<sup>5</sup> are creating

5. W. S. Waytinoky in his book, 'World Population and Production' Page 48-49 has given the following data :

Country	Population in Millions	Area (in 000 Miles)
China	463.5	3773
U. S. A.	151.7	3034
Canada & New Found Land	13.8	3858
U. S. R.	193.0	8632
New Guina	1.1	93
United Kindom	50.6	95

G. H. T. Kimble, in his book 'World's Open Spaces' has calculated the immigration potential of different countries. On the basis of these calculations, the following Chart has been prepared which will show that Gandhi was right when he preached international migration of population :

Region	Population (in Mill.)	Land Area 000 sq. Mls.	Density	popu-lation Capa-city in Millions.	%Culti-vated Area to total Area	Immig-ration Capa-city in Milli-ons.
1. Siberia	14.3	4352	5	75	3	60.7
2. Manchuria	43.3	462	93	73	15.1	32.0
3. Indonesia	30.0	683	43	150	N.A.	120.0
4. Philippines	20.2	114	17.7	100	12.5	79.8
5. Australia	8.4	2975	2.8	20.60	1.32	11.6-51.6
6. New Zealand	1.9	103	17.6	20	2.9	18.1
7. Africa	200.0	10384	19.0	1650-2300	N.A.	1450-2100
8. U. S. A.	154.0	2974	51.5	300-500	18.57	146-346
9. Canada	14.0	3457	4	100-250	2.7	80-236
10. Argentina	17.6	1079	16	150	10.75	132.4
11. Brazil	53.3	3291	16.5	430-1200	8	376.7-1146.7

tensions both internal and international.<sup>1</sup> the indiscriminate increase of trade relations are likely to increase these tensions.<sup>2</sup> All this made Gandhi think in terms of equitable distribution of population all over the world, removal of restrictions on international movement of

1. When an over-populated country is unable to export its surplus population to other countries its people remain poor and the efforts to improve the condition result either in revolution at home or aggression abroad. China is a living example of it. When industrially advanced countries are unable to dispose of their entire produce at home, they try to establish trade relations with backward countries and ultimately colonise them. This leads to misery, world wars and complexes,
2. Prof. Y. Tsurumi, participating in the U. N. E. S. C. O. Seminar on 'Gandhian Outlook and Techniques' on 16-1-1953 aptly commented.

"It is the proportion of the population of the world to the area which they inhabit, and the lack of free movement which create tensions. Take for instance, the case of Japan at the moment. In 1945 we had a very deplorable experience when the American Government Passed the Anti Asiatic Immigration Law. For seventeen long years, we had the so called 'Gentlemen's Agreement' between America and Japan by which Japan promised to restrict the entry of Japanese labour into America. Later when the Anti-Asiatic Immigration Law was being passed, Japan almost implored the American Government not to pass the bill and leave the matter in the hands of Japanese Government. We promised that if this were done, we would see that not one emigrant goes to America.....

"It saw not a matter of economics or law, but just a matter of Psychology, Japan, since 1868, had one ambition to be equal with the nations of the West. The internal charge was the result of the shock to our self respect given by this American Law—I had then already predicted and, unfortunately it came true ten years later, that Japan may become militaristic".

population, duties of emigrants etc. Incidentally these ideas solve the problems not only of the countries having large population, but also of the thinly populated countries like U. S. A., U. S. S. R., Canada etc. If migration of population is carried out on the basis of mutual gains, the international relations will also improve and it will also bring the Mulatto dream nearer realisation. Hence, not as labourers and inferiors, and (3) immigrants adopt the country they are migrating to as their own.<sup>1</sup>

The above discussion clearly shows that Mahatma Gandhi believed in planning the population of not only of individual countries but of the world as a whole. He wanted to control the rate of growth of population but was certainly against the modern artificial methods. He suggested Brahmacharya i.e. self-control as an alternative because on the one hand, it avoids the evils of the modern methods of birth-control and, on the other, improves the quality of the population-health, self-control, intelligence etc.—and thereby integrates the individual personality. Gandhi as a first rate humanist and believer in equality of men, also suggests the method of inter-

- 
1. Several incidents can be cited in support of this conclusion. Gandhi in South Africa, tried hard to get equal rights for Indian labourers—rights to vote, right to live wherever they wanted, right to do whatever they liked. The series of Satyagraha movements organised by him and the petitions submitted to the Government of Africa, African Legislature and the Government of England one few of the efforts in the direction. When conditions fighting for the equal rights for Indians, he was also preaching them to be loyal to the country of adoption. His first speech in Practorio (Africa) asking his audience to be truthful in business, to forget distinctions, to learn English and to be hygiene in habits : as also his loyalty to the country, his participation first in Boer war of 1899 and then in Zulu Rebellion of 1906, his withdrawal of Satyagraha when the country was threatened with a Central Railway strike are a few examples, out of many, to corroborate the point.



national migration of population to solve, in short period, the problems of both the countries-over-populated and under-populated. Certainly these ideas are more important and dynamic than those ever propounded by any economist of the world.

### **Ashram Vyavastha :**

Gandhi realised that world is fast changing with the result that tensions amongst people of different age groups are increasing. Youngsters think that elders are out dated, conservative and backward and the elders honestly feel that the youngsters are going astray and have become really bad. This naturally generates ill-will, hatred and tensions. Gandhi tried to solve this social problem by reviving the **Ashram Vyavastha**. He felt that if people of a particular age themselves decide to wind up their personal and family affairs and devote more and more time to social service, the social tensions will automatically decrease. Gandhi wrote :

“ The institution of four Ashrams enable one the better to fulfil the purpose of life for which the law of Varna is a necessity.<sup>1</sup>

Modern experts may opine that these ideas of Gandhi are Utopian, lacking paracticability. But Gandhi was realist. He had his feet on earth. He had not given any idea which is original or new. They existed in India and were practiced by every one. Even in the twentieth century, Gandhi, who, to begin with was a most ordinary person, practiced these ideas with success. Why then others cannot practise them. Only thing that is required is a strong will and Government patronage. With the help of a powerful media of propaganda, Gandhian Education System and Gandhian socio-politico-economic life, this scheme of population planning can be profitably harnessed for the welfare of humanity. Well the Indian planners take a lead ?

---

1. Young India, Nov. 17, 1927.



# 6 Gandhian Solution to Present Economic Problems of India

Miss Snigdha Das



# 6 Gandhian Solution to Present Economic Problems of India

Miss Snigdha Das

“ There is on the face of the earth no other country where the problem, that India has—of Chronic Starvation and slow death, a Process of dehumanisation. The solution must therefore be original. In trying to find it we must discover the causes of the tremendous tragedy ”.

—Said Gandhiji

“ The Architect of our Nation ” — Gandhiji was not an Economist. But lately his name is associated with Economic Science. Gandhian Economics is the result of Practical experiences. He could not divert his thinking from real problems. He actually studied the spiritual, material and cultural strings of Indian life and shaped his thought accordingly. His thoughts are based on practicability enlightend by “ Truth and Ahimsa. ” Today when Indian Economy is tormented with numourous problems, we must recall the thinking of Bapu and seek the salvation in his suggestions.

India aims at Socialist pattern of Society. We talk of equal distribution of wealth and vanish class conflict, but where is the way ? Gandhiji held the view that if we want equality in Society then we must abolish two things—(1) Conception of high and low (2) Hoarding more than necessity. Gandhiji thought that there must not be any one high or more respectable for his high caste or none, less respected for his low caste. Every labour is equal if it is furitful. And the other thing is that we must not support the hoarding. In our country where poverty is dancing



freely everywhere if we have two meals, instead of one our neighbour is certainly deprived of one meal.

He wrote :

" In socialism all the member of society are equal none high, none low. In the individual body the head is not high because it is the top of the body, nor the soles of the feet low because they touch the earth. Even as members of the individual body are equal so are the members of the society. This is Socialism. In it the prince and the peasant, the wealthy & the poor, the employer & the employee are all one the same level-Socialism of my Conception.

But this Socialism is not only based on equal distribution of wealth but on truth and Ahimsa and so it has more stability. "

—Gandhiji said

" Only truthful, non-violent and pure hearted Socialists will be able to establish a Socialist Society in India and the world ".

Population explosion is the another great headache for India. Instead of extensive publicity and facility of family planning it is not bearing any fruit. Population is increasing faster than the production, the preventive measures are not getting full accent of public, neither becoming successful. More and more stress is charged on family Planning. But what Gandhiji thought ? Gandhiji had foreseen the problem and stressed on practising Brahmacharya. He held the view that the one and only aim of marriage is to continue the ancestral line, and to marry for any other aim, such as, to say, for only sexual lust is a sin. But as India is suffering under the burden of heavy population our youths must Practise celibacy and serve their country in real sense. He says :

" The Union is meant not for pleasure but for bringing forth progeny. And union is a crime when the desire for progeny is absent. "

As regards the new methods of birth control. Gandhiji strongly opposed them. He always suggested Brahmacharya as the best

method and all other modern scientific methods were sinful in his view. Once he said —

“ There can be no two opinions about the necessity of birth control. But the only method handed down from ages past is self control or Brahmacharya. It is an infallible sovereign remedy doing good to those who Practice it. And medical men will earn the gratitude of mankind, if instead of devising artificial means of birth control, they will find out the means of self control”.

Gandhiji viewed that artificial means are like putting a premium upon vice. These uses will create more sins in Society. He said—

“ It is still worse for a person to indulge in his animal passions and escape the consequences of his acts. Nature is relentless and will have full revenge on any such violation of her law”.

But as for Brahmacharya he held very ethical view. He believes that Brahmacharya means control of the senses in thought, word and deed. The fact that the world rests on the observance more or less of Brahmacharya or restraint means that it is necessary and Practicable. It is harmful to suppress the body, if the mind is at the same time allowed to go astray.

The labour condition is also becoming more and more critical now-a-days. Now not a single week passes without the news of some fresh labour dispute. Many methods of arbitration are used, but in vain. Strikes go on in their own way. The year 1920 was the year of strikes when nearly 200 strikes were organised in a single year. When Gandhiji expressed very clear view about such labour conflicts. In the February issue of 1920 of “ Navajivan ”, he wrote that strikes etc. are only the thing of miracle. It is not difficult to misuse them. Labourers must establish strong trade unions and they must not stop work without their consent. And also they should seek suggestions of their employer before strike. If the

employer appoints any mediocre to judge the situation and give decision employers must accept them. Though Gandhiji did not deny strikes, absolutely but he gave more importance to arbitration. In his views strikes are not favourable for poor labourers. We must always give first preference to arbitrary methods. Strikes should be used only in extra-ordinary situation. In March, 1920 issue of "Young India" he expressed that strikes must not be made common measure. In very uncommon situation and in rare cases trade unions may use this method.

The other thing Mahatmaji focused at is that improper strikes can never succeed. Public must not sympathise with such strikes. For a proper strike, there must be five principles to be followed :—

- i ) The cause of strike must be just.
- ii ) Each and every person who takes part in that strike, must know the cause and accept it as just.
- iii ) There must be perfect unity among the strikers and they must chalk out their programme unitedly,
- iv ) No violent action would be taken against the persons who do not take part in the strike.
- v ) The strikers must be self-sufficient economically,

Gandhiji thought that strikes can meet their aims only when they are organised on these lines. But one thing be repeatedly said, that strikes must be the last source for deciding labour disputes. As for hunger strike, he decidedly refused to use hunger strike as a means. He wrote—

"Hunger strike has positively become a plague. On the slightest pretext some people want to resort to hunger strike. There should be no hunger strike on any account. Though there are circumstances in which a hunger strike may be justified, hunger-strike in order to secure release or redress of grievances is wrong".

Among many economic problems, the problem of small scale industries play vital role in the national economy. Hence more importance should be given to village Industries scheme.

There is another situation also, which is coming out with red signal, that is the growing tendency of urbanisation. Our cities are growing more and more densely populated. They are carving under the burden of house problem, water problem consumer's goods scarcity, Demoralisation of society etc. On the other hand villages are becoming emptier with every new generation. The capital, education, efficiency, all these resources are drawing towards cities. Though at present it is minor, but if it is not checked, this tendency will become very harmful for both the cities and villages. Gandhiji eyed this problem decades ago. He told-- "the soul of India lives in villages". He strongly pleaded for villages reorganisation. It occupied top place in Gandhian scheme of economic salvation. He aimed to establish self sufficient village Republic. In this connection he wrote-- "My ideal of village Swaraj is that it is a complete republic independent of its neighbours for its own vital wants and yet dependent for many others in which dependence is a necessity. Thus every village's first concern will be to grow food and other crops. It should have reserve of cattle, recreationed play grounds for adults and children. Then, if there is more land available, it will grow useful money crops excluding gania, tabbaco, opium and the like".

According to him, villages should maintain theatres, public halls, school, water supply and dispensaries. The villages should develop high degree employment also secures a very important place. Though every five year plan aims to provide enough employment to solve this problem, yet every plan fails to materialise this aim. Unemployment is growing on like forest fire. Gandhiji viewed that at the very root we are tackling this problem in a wrong way. We think that more and more factories and giant size industries will provide more employment. But Gandhiji wrote--

"Mechanization is good when hands are too few for the work intended to be accomplished. It is an evil, when there are more hands than required for the work as it is the case in India. The problem with us is not how to find leisure for the teeming millions inhabiting our villages. The problem is how to utilise their idle hours, equal to the working days of six months in a year."

He said that salvation of India lies in cottage industries. He gave the symbol of charkha and convassed Khadi. He thought that cottage industries must go on, in every home and those can alone exploit the labour power of India. He wrote—

"I have no doubt in my mind that we add to the national wealth if we help the small scale industries. True Swadeshi Consists in encouraging and reviving home industries. That alone can help the dumb millions.

At another place he observed—

"They provide an outlet for the creative faculties and resourcefulness of the people. They can also usefully employ hundreds of Youths in the country who are in need of employment. They may harness all the energy that at present runs to waste."

Gandhiji strongly believed that those industries which cannot be carried on in villages must mean starvation of millions. He made a plea to limit the scope of large scale industries. The farmers will own their lands and do the agriculture on co-operative basis. He wrote—

"Then Kisan or the peasant uses the salt of the earth which rightly belongs to him not to the absentee, landlord or Zamindars."

Thus village life will become more meaningful and villagers will enjoy more peace and prosperity. Gandhiji Wrote —



“ Today the villages are dung heaps. Tomorrow they will be like tiny gardens of Eden where will dwell highly intelligent folks whom no one can deceive and exploit. ”

In fact he wanted the reconstruction of villages on a permanent basis and asked for craft and art, health and education to be integrated into one scheme. And if our villages fulfil his dream then Indian Economy would not be tortured by the tendency of urbanisation and its after-effects.

Problems of inefficiency of Indian labour and low productivity also attracted Gandhiji's sight. The ancient grandeur of India decayed, and one of the cause is the inefficiency of labour. Gandhiji strongly pleaded to accept the dignity of labour. He had immense faith in manual labour and believed in the Latin saying which means—“ To labour is to pray ”, He held the view that no labour is high or low. Every work is worship. He viewed that those people who do the dirtiest work are to be respected best. He called them Harijan. He did not consider that division of labour is based on caste or creed, because it reduces efficiency of labour. According to him, if we want efficient labour than we must have non-communal outlook, by which we secure social equality and freedom of conscience and secular democracy.

He Wrote :

“ Every work is equally noble, no work either too high or too low. ”

At another occasion he said—

“ He who eats without labour eats sin ”.

He pleaded for elimination of human parasites and abolition of the process of unearned incomes and exploitation from the society. There must be equal combination of intellectual and manual labour.

Education will provide for efficiency. But Gandhiji had the view that—

“ It is a crime to make education merely literary and to unfit the boys and girls for manual work. ”

He professed for Basic Education, where student learns some craft & “Earns while learns”. That means, Gandhiji gave more stress on technical education rather than literary education. Such education will provide skilled workers to home industries. Then there will not rise the problem of inefficiency or low productivity. Non-technical education, caste system and denial of the dignity of labour are the enemies of our economy, we must eliminate them from our society.

At last we come to the consumer's problem which is not the least important. Today a consumer is burning his candle on both the ends, yet fails to get proper light. He is crushed by insufficient income on the one hand and endless wants on the other. He does not know how to make both the ends meet. The more he strives, the more he spends, the less he is satisfied. Generally we blame for this problem to low income and comparatively high prices. But Gandhiji explained this problem from utterly different angle. He favoured age-old Indian philosophy that wants are endless, i.e. **Trishna** increases more and more as fire grows more by **Ghrit**. As they cannot be satisfied, man can never get satisfaction. If a consumer wishes a peaceful life he must control his wants. His income is limited so must be his wants. Thus according to Gandhiji think in the line—“ Plain living and high thinking. ” As Gandhiji observed in his book “ Socialism—My Concept ”—

“ We notice that mind is a restless bird, the more it gets, the more it wants, and still remain unsatisfied. The more we indulge our passions the more unbridled they become. ”

The solution lies in the principle—

“ Plain living and High Thinking. ” Gandhi wrote—

“ Man falls from the pursuit of the idle of plain living and high thinking, the moment he wants to multiply his daily wants. History gives ample proof of this ” ( Socialism—My Concept ).

Thus for peace and prosperity, Gandhiji advised two things. Firstly, one must control the number of the wants and secondly, one must try his best to fulfill the wants himself. He advised that one must grow food and wear clothes for oneself.

The other phase of solution of this problem is economical use of one's resources. He always stressed on the fact that we must not waste anything, however, cheap or small the thing may be.

An event from Gandhiji's own life throws a flood of light on his plea for economical use of the resources. It was when his little pencil lost some how and he worried all the day long in its search. One of his disciple wanted to give him a new pencil. But he refused to use the new, saying that his old little pencil was still big enough for use and he must search it out. That event was not an example of a miserly tendency but it shows that we must use our resources upto the end and do not indulge in wastage.

One thing more is suggested by Ghandhiji to consumers that they must use Swadeshi things more and more. It would not only be patriotism but in true sense this tendency will support our home industries.

Thus Gandhiji offered solutions to all of our economic problems. Deep study of his ways, shows that Gandhiji did not only offer preventive measures of our problems but he reached to the root of the problems and tried to uproot the problems absolutely so that India may never face them again in future. For this he won universal recognition. Judged from this stand point of progress and development, it may appear that Gandhian Solution is a retrograde step, which takes us far back to the era of bullock cart. But it may be pointed out that if capitalism, large scale industries, mechaniza-

tion have brought about technological advancement and material attainment in the world, the evils of these have equally been overwhelming. On the spritual front, and with regard to enlargement of the horizen of humanity the cult of modern civilization has resulted in utter failure. It has simply given rise to distrust, dishonesty, disharmony of interests and to violence. The world has come on the verge of utter destruction by deadly weapons. In this age of disillusionment Gandhian approach to economic problems, on the other hand, is torch bearer to personal freedom, personal decency and ultimately to world peace.

We may safely conclude this study by quoting Binoba Bhawe:—

“ At least I, for one, see the salvation of India through only this double-edged weapon, namely, freedom from lust of money and performance of bodily labour. In it, I see the essence of Gandhiji's philosophy, a synthesis with communism and an antidote to both communism and capitalism. ”

---

# **7** Economic Philosophy of Gandhiji - Its Relevance Today

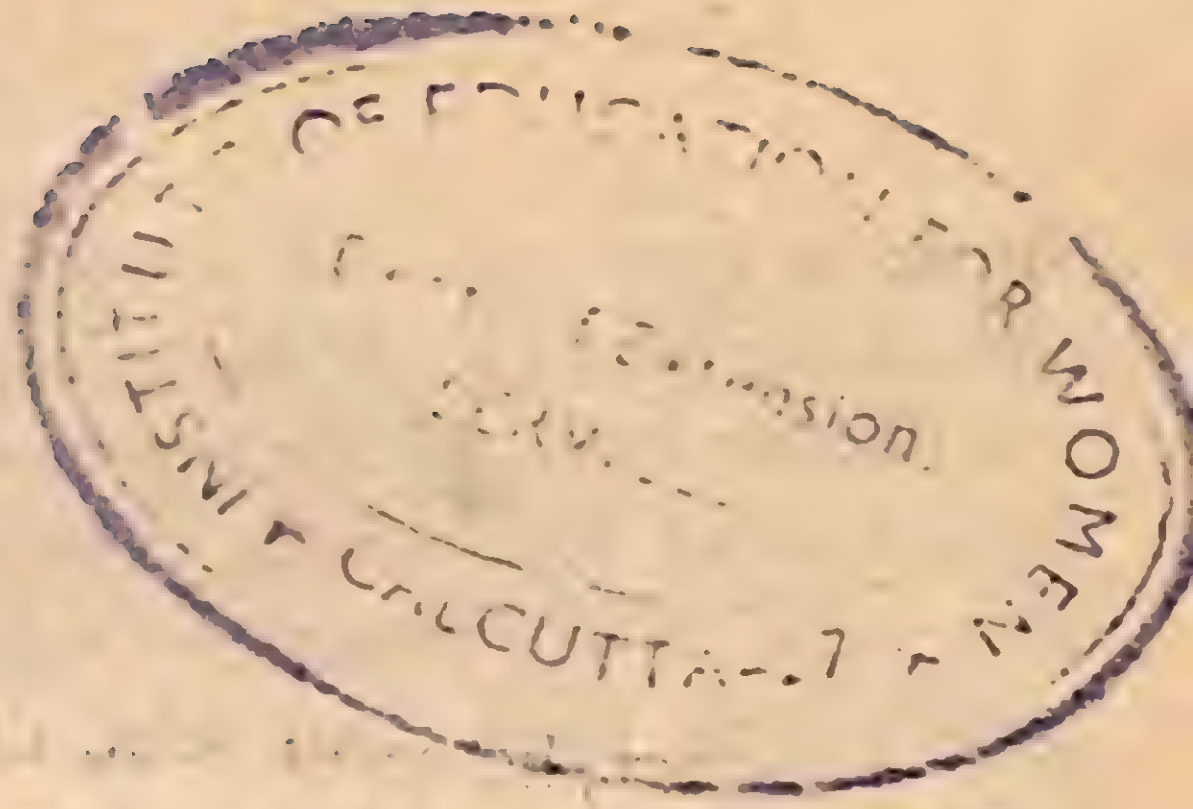
**N. Raghavamma**



Handwritten text, possibly a title or header, appearing as faint, mirrored characters.

Handwritten text, possibly a date or a short phrase, appearing as faint, mirrored characters.





# 7 Economic Philosophy of Gandhiji - Its Relevance Today

N. Raghavamma

The occasion of Gandhi birth centenary year provides us an opportunity to examine the impact of Gandhian Philosophy and its relevance to the problems and the new challenges of this period. There are various facets of Gandhian Philosophy and different people looked at it in different lights depending upon where they stand, their background, the problems they face and the solutions they seek. Gandhian philosophy must be understood in the context of the problems facing the nation then and should be interpreted with reference to the dynamic changes of the modern age. We will be doing the greatest disservice to the Father of the nation if we try to interpret his ideas either literally and dogmatically, disregarding the spirit of his teachings or to suit our needs. An attempt is made here to mention briefly the circumstances which influenced Gandhiji, to explain his basic economic teachings and examine their relevance to the present problems of our country.

Let us also note that Gandhiji never tried to give us a comprehensive philosophy of life, much less did he attempt at creating a cult after him. As long ago as 1936, Gandhiji proclaimed that "there is no such thing as Gandhism and I don't want to leave any sect after me". He once wrote "let no one say he is a follower of Gandhi. It is enough that I should be my own follower". Few men were greater idealists than he and yet few more practical. Like



Marx, he never pretended like giving a comprehensive social theory embracing all social phenomena. He did not run away from realities like Buddha. He experimented with his own life before he called on others to follow him. He never gave up his quest for learning from life. This makes him a great Pragmatist. If the posterity has anything to learn from him, they are the lessons from his experiments with truth and experiences of his life.

The social and economic circumstances of his time greatly influenced his mind and actions. He never hesitated to boldly admit and confess his mistakes or revise his ideas in the light of the altered situations. He is unparalleled in his unbounded affection for the teeming millions of the country, and in his great courage to stand, if necessary alone, by what he believed to be the truth. There is thus an inherent dynamism in the thinking of the great politician-philosopher-saint and if historians can point out to any one great and unique quality in Gandhiji, it is his dynamic pragmatism, his ability to understand the current situation, his vision and intuitive ability to suggest realistic solutions. Gandhiji's laboratory for experiments was his own life and the society he lived in; precisely for this reason, his ideas must be understood in the context of dynamic changes and no attempt should be made to fit them into any fixed mould.

In the early days of his public life Gandhiji's experiences in South Africa were leaded with bitterness and it was in the crucible of such experiences that his character and ideas were moulded. At 23 years of age in 1893, on one cold April night Gandhiji, an already successful barrister, travelling from Durban to pretoria was ordered out of his first class compartment at Maritzburg. But when he refused to move, Gandhiji writes "I was pushed out of the train by the police constable at Maritzburg and the train having left, was sitting in the waiting room, shivering in the bitter cold..... Late at night, I came to the conclusion that to run back to India would be cowardly. I must accomplish what I have undertaken".

It was this experience that led him to believe that he should endure these humiliations with fortitude and that suffering can be used creatively for the emancipation of people. He decided later on "I must involve in my experiment the whole mankind". That experience at Maritzburg gave Gandhiji a great spiritual shake up and it gave him the first release from the bonds of fear, not merely physical courage but the positive absence of fear from the mind. It is with the method of non-violent resistance he tried to awaken his people to fearlessness - fearlessness even in the face of starvation and destruction. His non-violence was of the brave and not of the meek and timid. It was also in South Africa he decided to lead the life of simplicity and to wear only as what his millions of poor fellow country men can afford to wear a lion cloth.

It was with this weapon of non-violence, he opposed the mighty British, the social injustices and violent killings. When the partition of the country resulted in mass communal riots, "a bleeding India saw the frail and saintly Mahatma walking from place to place to restore sanity and goodwill" and this resulted in the supreme sacrifice he could make at the alter of Peace.

Non-violent resistance to the mighty entrenched force of reaction is only possible for men of great and extra-ordinary courage. He knew that violence is the law of the brute and non-violence, the inherent law of the human world. Aggressiveness is not the means to end aggressiveness, for, violence only breeds further violence and ultimately ends in the destruction of the basic values or the goals we wish to achieve. Ends however noble cannot be achieved by ignoble or violent means. This explains Gandhiji's emphasis on purity of means to achieve desirable ends. His concept of Satyagraha is based on love not hatred, on loving one's opponents and suffering in order to convert them. It is resistance to the sin, not to the sinner. Satyagraha demanding self-sacrifice on the part of the Satyagrahi has the supreme virtue of providing means consonant with the highest ends. Gandhiji believed that love which suffers is more powerful than the force which inflicts suffering. He

realised the effectiveness of 'Ahimsa' quite early in life. At an earlier age when he confessed to his father that he ate meat, on the advise of a muslim friend, in order to grow strong and fearless to oppose the British, he was stunned to find his father in silent tears. This silent suffering of his father had a magical effect on the sensitive young man. Perhaps Gandhiji then realised that 'Ahimsa' is many times more powerful and will have more enduring results than 'Himsa'.

Gandhiji did not believe in the compartmentalisation of human personality. For him, life is an indivisible and integratrd whole. He recognised and worked with normal men moved by common instincts of desire, anger and emotion. The significance of his economic ideas should be studied in the background of his conception of man and society.

The most important problem before Gandhiji when he started public work was the revival of self-confidence in men, in their ability to attain better lives, self-dependence individually and as a nation.

He believed that independence from exploitation, slavery and poverty cannot be granted by somebody else but must only be secured by the exploited through his own effort. He realised that "paupers can not become willing sufferers.....Swaraj for them ability to support themselves without begging." Spinning wheel, he thought in this circumstances of poverty, provides them the basic necessities of life. It symbolizes the economic basis and strength of the millions of the poor. He knew well a nation steeped in poverty and ignorance cannot attain Swaraj on its own strength. The spinning wheel meets for the common man his basic needs. He can then assert himself, regain his self confidence and strive for Swaraj. Political independence for Gandhiji is only one condition for the upliftment of the poor and downtrodden in India.

He did not want merely a change in the rulers at the top' he wanted that real power must remain in the hands of millions of peo-

ple but he realised that they could not retain power and control without economic freedom and hence he wanted to decentralise economic power. Gandhiji felt that Swaraj that did not set the masses free economically on their feet would be a boon only to the capitalistic class. Swaraj for India should mean, above all things a secure economic life for the Indian masses. He said "no one has suggested that grinding poverty can lead to any thing else than moral degradation. He firmly believed that political freedom without economic freedom is "like throwing a man into the sea tied hand and foot and tell him he is free to swim." Spinning wheel is the only means by which "Indian people can maintain this self respect and individual freedom by providing them with independent means of subsistence." It is the surest guarantee against the tyranny of centralised democracy and the exploitation of masses by capitalists in a free industrial society. Just as the spinning wheel symbolises the guarantee of minimum amenities of life, cottage and small industries symbolise a decentralised economic and political set-up where power is shared by all.

The greatest contribution of Gandhiji was the application of the dignity of man, be it in South Africa or in India. For centuries we have treated a large section of our fellow human beings as sub-human denying them elementary human rights and conditions of living. Gandhiji did his best to wipe out this blot from our society. He did it by his own example. If to-day we can, at least, talk about socialism, equality of opportunity, non-discrimination on the basis of caste and sex, we know it was Gandhiji's influence. We have yet to see how long it would take for us to realise his ideal, his innate craving and his dearest wish.

His belief in social justice can well be understood from the fact that he founded quite early in life, "Tolstoy Farm" and the building up of a farm, by abjuring property, striving towards community ownership and responsibility. He thus laid claim "to be one of the founder members of the peasants and workers republic." He ran his Ashram and allied institutions under his control according to the



principle of "to each according to his needs and from each according to his capacity." "A society of equality of opportunity for Gandhiji means "the levelling down of the few rich in whose hands is concentrated the bulk of national wealth on the one hand and a levelling up of the semi-starved and naked millions on the other. A non violent system of government is clearly an impossibility so long the wide gulf between the rich and the hungry millions continues." According to him "with glaring inequalities class harmony cannot be brought about. The first requisite for such a social order is equality of income." Though he did not call himself a communist or a socialist, we do not find a better socialist in practice than Gandhiji.

He made many direct references to the vested interests without hesitation. According to him "the greatest obstacle in the path of non-violence is the presence in our midst of the indigeneous interests that have sprung up from the British rule, the interests of moneyed men, speculators, scrip-holders, landholders, factory owners and the like. All these do not always realise that they are living on the blood of the masses and when they do they became as callous as the British principals whose tools and agents they are. If they could not realise that they must give up their blood stained gains the battle is won for non-violence." This shows how revolutionary Gandhiji was; he was wedded to direct action (non-violent) as revolutionaries must be. To Gandhiji, possessing anything over and above one's own minimum requirements was stealing. He said "a thing not originally stolen must nevertheless be classified stolen property, if we possess it without needing it."

Gandhiji's views on private property are equally radical. He did not believe that private property is essential for human development. He was in favour of its abolition but he was aware that abolition of it is only a remote ideal and would not be possible in the near future. He therefore advocated that all personal property should be held in trust. If a large number of people accepted this principle, Gandhiji thought that the large disparities in income and standard of living

of different classes of people will go automatically and a suitable atmosphere for a classless society can be prepared. He was against confiscation of private property for he believed that exploitation of the poor can be extinguished not by affecting destruction of a few millionaires but by removing the ignorance of the poor and teaching them to non-cooperate with their exploiters. He wrote "but as I can conceive of such a state only based on non-violence, I would not dispossess moneyed men by force but would invite their cooperation in the process of conversion to state ownership."

The theory of trusteeship is desired because non-violence is incompatible with a feudalistic or capitalistic society which perpetuates inequalities, for, Gandhiji admits that accumulation and preservation of wealth inevitably involves violence and trusteeship was conceived to avoid both violence and confiscation. "If the present owning class did not of its own accord become trustees, forces of circumstances would compel the reform or the alternative would be utter destruction. The present power of the Zamindars, the capitalists and the Rajahs can survive only so long the common people do not realise their own strength."..... Even with regard to trusteeship, Gandhiji was against hereditary trusteeship, if it were to result in its misuse by the trustee. He advocated control of property by disinterested public spirited men controlled and supervised by the government. Gandhiji wanted ultimately to break the concentration of economic power by entrusting it to society as a whole. His concept of trusteeship and change of heart of the oppressor or closely related. It is based on the belief in the essential goodness of man which cannot be totally denied even today. In his own life time he is able to mould heroes out of common men of clay, instil courage and self-confidence in them, awaken them to their needs and responsibilities and bring about a remarkable transformation showing courage, discipline and generosity in the place of age old fatalism, lethargy and pettiness. Gandhiji's experiment met with remarkable success in this direction. Nothing else can be a positive proof of the vitality, and the relevance of a doctrine than its success in his own life time.

When Gandhiji emphasised on simplicity and disfavoured affluence, perhaps he had clearly in mind the evils of an affluent industrial society. We now realise how true these prescriptions are. The highly industrial and affluent economies cannot be said the happiest for affluence alone did not succeed, as the present trends in highly industrial societies show, in bringing them the required measure of happiness or human welfare. He clearly visualised the evil effects of highly industrialised society on a man. He writes "What shall it avail a man if he gains the whole world and loses his soul ?..... In modern times it is beneath human dignity to lose one's individuality and become a mere cog in a machine. I want every individual to become a full blooded fully developed member of human society." He once wrote "an undertaking is intended to be servant of humanity and should never make humanity its slave." Industrialisation dehumanises the human being, alienates the worker from his labour, from the final product he produces and finally alienates him from his environment. Man then, becomes a slave to the machine, instead of machine serving the needs of man. "Wherever large-scale methods of production are employed the worker becomes a mere hand where the faculties of head and heart are hardly exercised. In such organisations there is no joy in work. Education and joy have to be superimposed on him as something external." It is here, Gandhiji showed great insight into the problems of a highly industrialised society as Marx did. But Marx thought abolition of private ownership of means of production solves this problem, not quite correctly. Gandhiji believed that a change in the heart of men, a change in the methods of production, avoiding large scale technology unless it becomes inevitable, control of wants alone can solve this problem. For Marx a change in the material environment will do the trick but for Gandhiji, spiritual values and ethical principles of men alone can save them from the evil effects of industrialisation. This is one aspect of Gandhiji which often failed to receive enough attention even by his close faithful and trusted followers, but which requires a closer study and merits the consideration of the intellectuals of the present times.

Gandhiji refused to accept the world as he found it when he was born. He was sensitive enough to understand its evils, imaginative enough to formulate solutions and bold enough to preach and practice them. He shook it and tried to reorient it. He never gave up the quest. He was marching on onward till he was physically killed. Such was the man who made India and Indians human beings.

What remains of Gandhiji's teachings today? How far are they relevant to today's problems? In a world threatened by the big powers with nuclear weapons, on the borders of annihilation, what else but non-violent resistance to evil, injustice and iniquity can guarantee and preserve human life and civilization? Courage to fight for social justice, determination to achieve the good ends through right means is what Gandhiji taught us. If people of the world fail to realise it, the danger of extinction is imminent. Gandhiji's weapon of non-violence is more relevant in a world threatened by nuclear destruction than in the past when the power of the destructive weapons was limited.

Gandhian economic philosophy should be analysed in the context of problems of country suffering from mass poverty, unemployment, excess population in a predominantly agricultural setting. Though Gandhiji did not have the advantage of the modern sophisticated economic jargon he had the necessary common sense to realise that development of these economies is impossible unless the rural sector was developed. Development of the rural India is impossible without developing agriculture and cottage and small industries. In terms of economic jargon, investment criteria suited to these economies with scarce capital and abundant labour must be that which provides maximum employment and ensures minimum living standards to the large mass of unemployed labour force. Gandhian ideas taken in their spirit, instead of interpreting them literally, can still provide the economically sound solutions to the problems of poverty in countries like India. More important was his emphasis on social justice and quality of opportunity must pre-

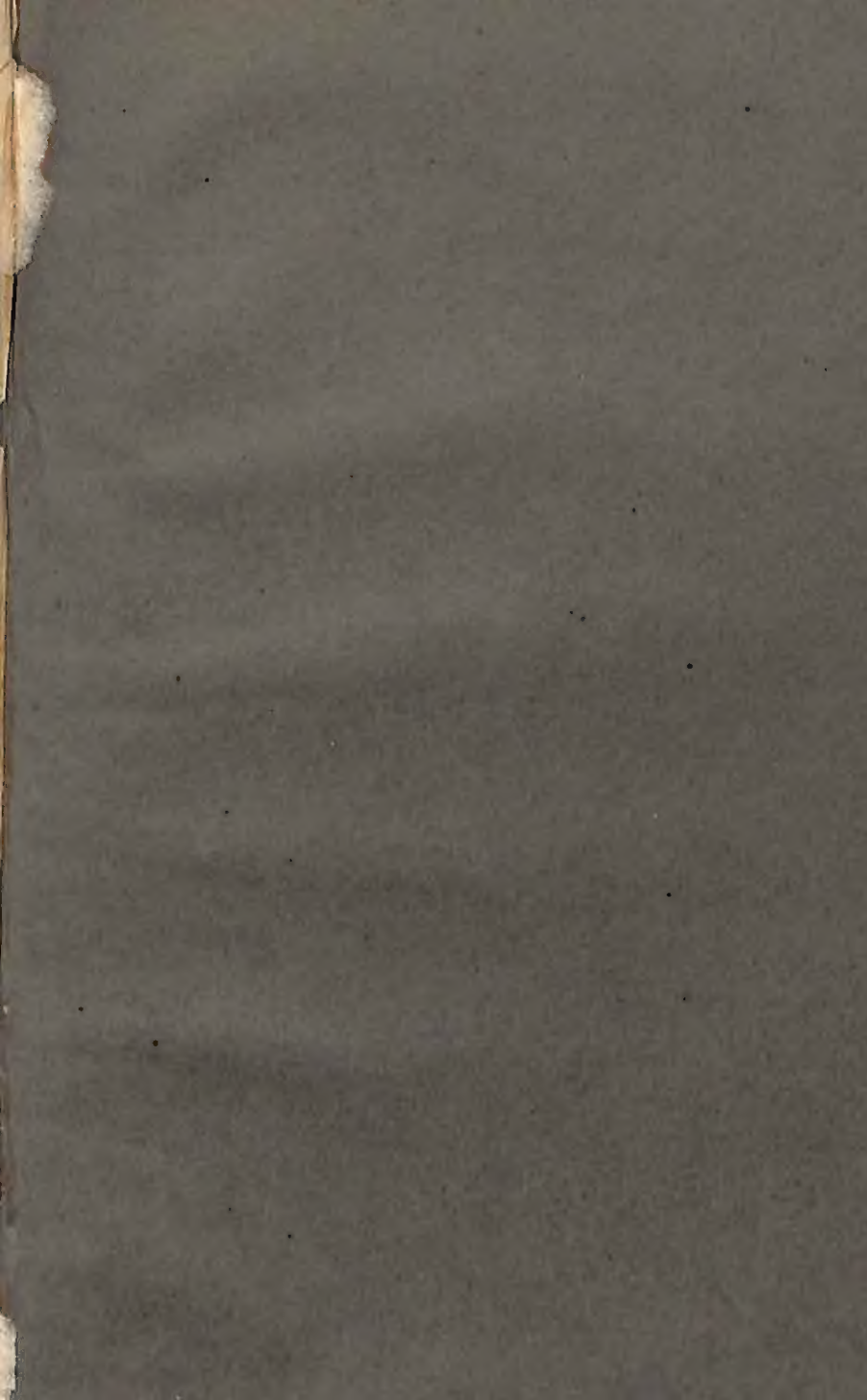
cede but not succeed any attempts at rapid growth. It is a very interesting pointer to the present day planners and yet a sad commentary on their loyalty to Gandhi and his dearest and most cherished ideals.<sup>1</sup>

Gandhiji lives so long humanity desires to survive. So long there is inequity and social injustice, Gandhiji lives and fights against them. It is this, the greatest contribution of Gandhiji to civilised world.

It is for the followers of Gandhiji, in power, to make an appraisal of achievements in the last twenty years after Gandhiji's death. He advocated radical social reforms. He believed in social justice, economic equality and upliftment of "the dumb, semi-starved millions of India". He firmly believed in upholding moral standards in politics. Even the economic surveys of the government of India reveal that not many of these aims so dear to Gandhi could be satisfactorily achieved by the Government in the last two decades of absolute power in their hands. The gap between the rich and the poor is widening; unemployment both in the rural and urban sectors is on the increase. No significant increase in the standard of living of the rural masses could be achieved. What a shameful record of work to perpetuate his memory ! The greatest tribute we can pay to Gandhiji's dedicated life is to strictly adhere to his moral and spiritual ideals of truth and non-violence; to uphold boldly the rights of the down-trodden and underprivileged, by striving for radical social reforms which will create conditions for equality of opportunity and work and finally fight courageously against all forms of social injustice. The Gandhi Centenary year provides us an opportunity to evaluate our achievements in these directions and to make up our short-falls,

---











Dr. K. S. Saxena (b. 1907) is Director of Prachya Vidya Anusandhan Parishad (Council of Oriental Research). He has travelled widely and contributed numerous articles to journals.

He has good use of Ayurveda and Astrology and has directed / organised philanthropic treatment camps for the patients of Asthma and Piles.

His pioneer research project on the Indian System of Physiognomy is on its way to completion.

# GANDHI CENTENARY PAPERS

---

## THE CONTRIBUTORS

---

Dr. John D.K. Sunder Singh  
Dr. R. L. Khandelwal  
Mr. B. Bisoon Doyal  
Mr. R. M. Thakur  
Mrs. Ila Dutt  
Principal B. P. Sinha  
Dr. N. M. Shah  
Prof. R. K. Sharma  
Principal R. K. Sharma  
Dr. S. N. Jha  
Dr. Oudh Kishore Saxena  
Dr. Usha Kiran Mehra  
Prof. P. Leela  
Dr. S. S. Gupta  
Mrs. Snigdha Bose  
Miss. N. Raghvamma  
Dr. L. P. Chaudhry  
Dr. P. Sharan  
Dr. K. V. Vishwanathiah  
Dr. Laxmi Shanker  
Dr. C. P. Brahmo  
Dr. B. R. Purohit  
Dr. N. S. Subramanyam  
Dr. S. Ballabh  
Dr. K. Kodesia  
Dr. G. K. Gehrana  
Dr. K. S. R. Murty  
Dr. K. Seshadri  
Dr. R. N. Vyas  
Dr. L. P. Sinha  
Dr. P. N. Khare  
Dr. A. R. Wadia  
Prof. O. P. Verma  
Dr. R. N. Sharma  
Dr. R. C. Gupta  
Principal T. Paul Verghese  
Principal Thomas Mootheden  
Dr. B. L. Sharma  
Dr. B. P. Lulla  
Principal B. N. Tripathy  
Mrs. Renuka Ray

---